

NOTICE OF SPECIAL ELECTION

SPOKANE SCHOOL DISTRICT NO. 81
SPOKANE COUNTY, WASHINGTON

March 10, 2009

NOTICE IS HEREBY GIVEN that on March 10, 2009, a special election will be held by mail ballot in the above-named school district for the submission to the qualified electors of said school district of the following proposition:

PROPOSITION NO. 2

SPOKANE SCHOOL DISTRICT NO. 81

GENERAL OBLIGATION BONDS - \$288,000,000

The Board of Directors of Spokane School District No. 81 adopted Resolution No. 2008-19 concerning a proposition to finance facility improvements at schools. This proposition will authorize the District to modernize Ferris, Finch, Hutton, Jefferson and Westview Schools; construct a gym at Salk; upgrade systems at several elementary schools; make other capital, security, and technology improvements to all schools in the District; to issue \$288,000,000 of general obligation bonds maturing within a maximum term of 20 years; and to levy annual excess property tax levies to pay and retire such bonds, all as provided in the Resolution. Should this proposition be:

APPROVED?.....

REJECTED?.....

Vicky M. Dalton
Spokane County Auditor

October 27, 2010

SPOKANE SCHOOL DISTRICT NO. 81

RESOLUTION NO. 2010-27

A BOARD RESOLUTION PROVIDING FOR THE SUPPLEMENTATION, CLARIFICATION AND AMENDMENT OF AND TO RESOLUTION NO. 2008-19 (WHICH PROVIDED FOR THE FORM OF BALLOT PROPOSITION AND SPECIFIED CERTAIN OTHER DETAILS CONCERNING SUBMISSION TO THE QUALIFIED ELECTORS OF THE DISTRICT, AT A SPECIAL ELECTION HELD ON MARCH 10, 2009, OF A PROPOSITION FOR THE ISSUANCE OF ITS GENERAL OBLIGATION BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF \$288,000,000, OR SO MUCH THEREOF AS MAY BE ISSUED UNDER THE LAWS GOVERNING THE INDEBTEDNESS OF SCHOOL DISTRICTS FOR THE PURPOSE OF PROVIDING FUNDS TO CONSTRUCT, EQUIP, MODERNIZE AND MAKE OTHER CAPITAL IMPROVEMENTS TO THE FACILITIES OF THE DISTRICT) TO REFLECT CERTAIN SPECIFIC EXPENDITURES FROM SUCH DEBT FINANCING CAUSED BY LOCAL CIRCUMSTANCES; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

WHEREAS, Spokane School District No. 81, Spokane County, Washington (the "District"), is a first-class school district duly organized and existing under and by virtue of the Constitution and laws of the state of Washington (the "State"); and

WHEREAS, the District is authorized and empowered by Chapters 28A.530, 39.36 and 39.46 RCW to sell, issue and deliver its general obligation bonds to finance the acquisition, construction and installation of capital improvements to its education facilities; and

WHEREAS, the Board of Directors of the District (the "Board"), by Resolution No. 2008-19, adopted on December 3, 2008 (the "Election Resolution"), ordered an election to be held within the District on March 10, 2009 (the "Election"), for the submission to the qualified electors of the District, whether the District should issue not to exceed \$288,000,000 principal amount of unlimited tax general obligation bonds to provide money to pay the costs of such capital improvements (the "Bonds"); and

WHEREAS, at the Election, duly noticed, held and conducted within the District on March 10, 2009, the qualified electors of the District approved the incurrence of such debt and the issuance of the Bonds; and

WHEREAS, Section 2 of the Election Resolution defines the "Improvements," as the specific expenditures to be financed with proceeds of the Bonds, to include "replace or renovate Jefferson Elementary School" ("Jefferson") and "[i]mprove...athletic fields at...Hart Field";

WHEREAS, Section 2 of the Election Resolution also authorized the District, if available funds are sufficient from the proceeds of the Bonds, and state or local circumstances require, to use such funds to pay the principal of or interest on the Bonds or acquire, construct, equip, modernize and make other capital improvements to the facilities of the District, all as the Board may determine, after holding a public hearing thereon pursuant to RCW 28A.530.020; and

WHEREAS, RCW 28A.530.020(2) provides that if a school board subsequently determines that state or local circumstances should cause any alteration to the specific expenditures from debt financing approved by the qualified voters of such district, such board shall first conduct a public hearing to consider those circumstances and to receive public testimony; and if such board then determines that any such alterations are in the best interests of the district, it may adopt a new resolution or amend the original election resolution at a public meeting held subsequent to the meeting at which public testimony was received; and

WHEREAS, after the Election, the District requested and received a significant amount of information regarding the various options for replacing or renovating Jefferson and making improvements to Hart Field, including, but not limited to: traffic analysis, safety analysis, real property impact analysis, property acquisition appraisals and studies, site planning and potential facility location studies, potential costs, and the cost to relocate students to another site if Jefferson were renovated on its present site; and

WHEREAS, the District also sought input from a variety of sources regarding the various options for replacing or renovating Jefferson and making improvements to athletic fields at Hart Field including, but not limited to, community open houses held between February and August 2010, presentations made to the Comstock Neighborhood Council, responses to a District on-line survey, communications from patrons to the District, and a Community Forum on the Jefferson/Hart Field Project Study held in September 2010; and

WHEREAS, pursuant to RCW 28A.530.020(2) and the Election Resolution, the Board held a public hearing on October 13, 2010, to consider local circumstances and to receive public testimony on whether the expenditure to be financed with Bond proceeds should include construction of a replacement Jefferson at the west end of the District-owned site off of 37th Avenue and improvements to the athletic fields at Hart Field with Jefferson being located on the west end of such site (the "West Option");

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Spokane School District No. 81, as follows:

Section 1. Public Hearing and Findings. The Board conducted the public hearing provided by RCW 28A.530.020 and the Election Resolution on October 13, 2010, at which public hearing the Board provided an opportunity to receive public testimony and at which hearing the Board considered local circumstances, including, but not limited to, traffic impacts, safety concerns, property acquisition concerns and requirements, real property impact considerations, site planning issues, facility location concerns, the needs of the community, and the finalization of cost estimates associated with renovating Jefferson at its current site versus the West Option. After such public hearing and consideration, the Board hereby finds and determines that the West Option as a specific expenditure (to be financed with proceeds of the Bonds, defined and as set forth in the Election Resolution as the "Improvements") is in the best interests of the District and that the West Option shall therefore be financed with proceeds of the Bonds.

Section 2. Supplementation and Clarification of Election Resolution. After conducting the public hearing and after considering local circumstances, the Board further hereby supplements and clarifies Section 2 of the Election Resolution to provide that expenditures from the Bond proceeds shall include the West Option. The Board hereby determines that such expenditures from the Bond proceeds were provided for by and set forth in the Election Resolution, but to the extent (if any) that such expenditures were not provided for by or clearly set forth in the Election Resolution, the Board determines that local circumstances are such that it is in the best interests of the District for expenditures from the Bond proceeds to include the West Option and that the West Option shall therefore be financed with proceeds of the Bonds.

Section 3. Amendment of Section 2(a) and Section 2(d) of the Election Resolution. After conducting the public hearing and after considering local circumstances, the Board further hereby amends Section 2 of Resolution No. 2008-19 to provide that expenditures from the Bond proceeds shall include the West Option. Section 2(a) and Section 2(d) of the Election Resolution are therefore hereby amended to read as follows (changed provisions are indicated by deletions with ~~striketrough~~ and additions with double underline):

“(a) Replace Westview Elementary school, renovate Finch Elementary school, and Hutton Elementary school and ~~replace or renovate Jefferson Elementary school~~ construct a replacement Jefferson Elementary school at the west end of the District-owned site off of 37th Avenue.”

* * *

“(d) Improve athletic and parking facilities at John R. Rogers High School, and athletic fields at Shadle Park High School and Hart Field (with Jefferson Elementary school being located on the west end of Hart Field).”

Section 4. Severability. In the event that any provision of this resolution shall be held to be invalid, such invalidity shall not affect or invalidate any other provision of this resolution, but they shall be construed and enforced as if such invalid provision had not been contained herein; provided, however, that any provision which shall for any reason be held by reason of its extent to be invalid shall be deemed to be in effect to the extent permitted by law.

Section 5. Ratification The Board hereby ratifies all acts taken by members of the Board and/or agents on behalf of the District relative to the West Option.

Section 6. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED this 27th day of October, 2010 in Spokane, Washington.

MEMBERS, BOARD OF DIRECTORS

Susan Craft

Robert Denton

Daniel Daggitt

Robert Treppiedi

William D. Rimmer

ATTEST:

Nancy Howell
Secretary of the Board of Directors

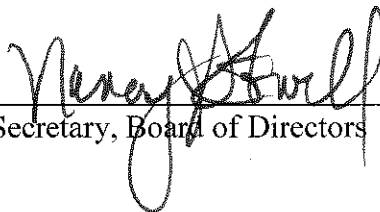
CERTIFICATE

I, the undersigned, Secretary of the Board of Directors of Spokane School District No. 81, Spokane County, Washington (the "District"), and keeper of the records of the Board of Directors (the "Board"), DO HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 2010-27 of the Board (the "Resolution"), duly adopted at a regular meeting thereof held on the 27th day of October, 2010.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, 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 the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly 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 27th day of October, 2010.


Secretary, Board of Directors