

SAN JUAN ISLAND LIBRARY DISTRICT
SAN JUAN COUNTY, WASHINGTON

RESOLUTION NO. #3-2022

A RESOLUTION of the Board of Trustees of the San Juan Island Library District, San Juan County, Washington, making a finding; providing for the submission to the voters of the District at a special election to be held in conjunction with the general election on November 8, 2022, of a proposition authorizing the District to incur indebtedness through the issuance of not more than \$12,000,000 of its general obligation bonds maturing within 21 years from their date of issuance to pay the capital costs of acquiring, constructing, furnishing and equipping a new library facility in Friday Harbor and refund the outstanding District general obligation bond issued to acquire the real property therefor; and to levy annual excess property taxes to repay such bonds.

WHEREAS, the Board of Trustees (the "Board") of the San Juan Island Library District, San Juan County, Washington (the "District") heretofore determined it to be in the best interests of the District and its residents that the District acquire certain real property located at 660 Spring Street, Friday Harbor, Washington, for future development of a new library facility, and issued a general obligation bond (the "2020 Bond") to finance such acquisition; and

WHEREAS, the 2020 Bond is currently outstanding in the principal amount of \$2,075,000; and

WHEREAS, the Board now finds that it is in the best interests of the District and its residents that the District acquire, construct, furnish and equip such new library facility and refund the 2020 Bond (collectively, the "Project"); and

WHEREAS, in order to obtain funds to pay the capital costs of the Project, the Board finds it necessary, proper and advisable that the District incur indebtedness, issue not more than \$12,000,000 of its general obligation bonds maturing within 21 years from their date of issuance, and levy annual excess property taxes to repay such bonds; and

WHEREAS, by law the proposition of whether the District may incur such indebtedness and issue such bonds for such purposes must be submitted to the voters of the District for their approval or rejection;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF SAN JUAN ISLAND LIBRARY DISTRICT, SAN JUAN COUNTY, WASHINGTON, AS FOLLOWS:

Section 1. Finding. The Board hereby finds that it is in the best interests of the District and the residents of the District that the District undertake the Project.

Section 2. Estimated Costs of Project. The Board estimates that the capital costs of the

Project, including the costs of selling and issuing the bonds authorized by this resolution, will be not less than \$12,000,000.

Section 3. Proposal to Issue Bonds. Subject to the approval of the voters of the District, the Board hereby authorizes the incurrence of indebtedness and the issuance of not more than \$12,000,000 of its general obligation bonds (the "Bonds") for the purpose of obtaining funds to pay the capital costs of the Project.

The term "capital costs," as used in the previous paragraph, shall be construed consistently with the term "capital purposes" in Article VII, Section 2(b) of the Washington Constitution, RCW 27.12.222 and RCW 84.52.056, but, subject thereto, may include the costs of (a) property acquisition, including leasing and acquiring purchase options, (b) engineering, design, demolition and other site preparation, (c) refunding the 2020 Bond, and (d) planning, financial, legal and other services lawfully incurred incident to accomplishing the Project and its financing, including the incidental costs and costs related to the sale and issuance of the Bonds; provided, however, the term "capital costs" shall not include maintenance, operation or costs for replacement of equipment.

The Bonds shall bear such date or dates; shall mature at such time or times not to exceed 21 years from the date of issuance thereof; shall be issued in such denominations; shall bear such terms, conditions and covenants; shall be in such form; shall bear interest at such fixed or variable rate or rates; shall bear such redemption and registration privileges; and shall be sold in such manner, at such time or times, in such amounts and at such price or prices as the Board shall hereafter determine by resolution. The Bonds may be issued in one or more series, either separately or in combination with other authorized general obligation bonds of the District.

The Bonds shall be general obligations of the District and, unless paid from other sources, both the principal thereof and the interest thereon shall be payable from annual property tax levies, if authorized by the voters as provided in Section 6 of this resolution, upon all taxable property within the District in excess of all regular property tax levies, without limitation as to rate or amount.

Section 4. Short-Term Obligations. Subject to the approval of the issuance of the Bonds by the voters of the District, the Board may, by resolution, provide for the issuance of short-term obligations in anticipation of the issuance of the approved Bonds in accordance with the provisions of chapter 39.50 RCW. The aggregate principal amount of all such short-term obligations and Bonds outstanding at any time shall not exceed \$12,000,000.

Section 5. Intent to Reimburse. Subject to the approval of the issuance of the Bonds by the voters of the District, the Board declares that to the extent that, prior to the date the Bonds or other short-term obligations are issued to finance the Project, the District shall make capital expenditures for the Project from funds that are not (and are 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 finance the Project, those capital expenditures are intended to be reimbursed out of proceeds of the Bonds or other short-term obligations issued in an amount not to exceed \$12,000,000.

Section 6. Bond Election. The Board hereby requests the San Juan County Auditor, as *ex officio* supervisor of elections, to assume jurisdiction of and to call and conduct a special election within the District in conjunction with the general election to be held on November 8, 2022, to submit to the voters of the District such proposition in substantially the following form, with such additions, deletions or modifications as may be required by the San Juan County Prosecutor:

SAN JUAN ISLAND LIBRARY DISTRICT
PROPOSITION NO. 1
LIBRARY BONDS

The Board of Trustees of San Juan Island Library District adopted Resolution #3-2022, concerning a proposition to finance a new library facility and refund a District bond issued to acquire the real property therefor. This proposition would authorize the District to incur indebtedness through the issuance of not more than \$12,000,000 of general obligation bonds maturing within 21 years from their date of issuance to pay the capital costs of acquiring, constructing, furnishing and equipping a new library facility in Friday Harbor and refund the outstanding District general obligation bond issued to acquire the real property therefor, and to levy annual excess property taxes to repay such bonds. Should this proposition be:

APPROVED ____

REJECTED ____

Section 7. Delivery to Auditor. The Library Director or her designee is directed to present a certified copy of this resolution to the Auditor no later than August 2, 2022.

Section 8. Severability. If any one or more of the provisions of this resolution shall be declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining provisions of this resolution, the Bonds or any short-term obligations issued in anticipation thereof, and this resolution, the Bonds and any short-term obligations issued in anticipation thereof shall be construed and enforced as if such unconstitutional or invalid provisions had not been contained herein.


Section 9. Effective Date. This resolution shall become effective immediately upon its adoption.

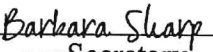
ADOPTED by the Board of Trustees of San Juan Island Library District, San Juan County, Washington, at an open, public meeting thereof, notice of which was duly given as required by law, this 12th day of July, 2022.

SAN JUAN ISLAND LIBRARY DISTRICT
SAN JUAN COUNTY, WASHINGTON

DocuSigned by:

F8E661F6B841 President

DocuSigned by:

35699F6A9041 Vice President

DocuSigned by:

88AE73D60A52 Secretary

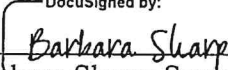
DocuSigned by:

1F844112B10C Trustee

DocuSigned by:

5F33B2B20A0C Trustee

I, the undersigned Secretary of the Board of Trustees of San Juan Island Library District, San Juan County, Washington, DO HEREBY CERTIFY that the foregoing is a true and complete copy of Resolution #3-2022 of the Board of Trustees duly adopted at an open, public and regular meeting thereof, notice of which was given to the extent required by law, held on July 12, 2022.

DocuSigned by:


Barbara Sharp, Secretary
Board of Trustees