

**METROPOLITAN PARK DISTRICT
OF TACOMA**



AGENDA

MAY 13, 2019

6:00 P.M.

**METRO PARKS HEADQUARTERS
4702 S. 19TH ST. TACOMA WA 98405**

**MEETINGS ARE RECORDED AND MAY BE HEARD AT THE
PARK DISTRICT OFFICES UPON REQUEST**

COMMISSIONERS

AARON POINTER, PRESIDENT

TIM REID, CLERK

ANDREA SMITH

ERIK HANBERG

JESSIE BAINES, JR.

6:00 P.M. **CALL TO ORDER**

ROLL CALL

FLAG SALUTE

SPECIAL PRESENTATIONS

PRESIDENT'S REPORT

STANDING COMMITTEE & COMMISSION REPORTS

EXECUTIVE DIRECTOR'S REPORT

REGULAR MEETING

CITIZEN COMMENTS

MINUTES

(5-10) **MINUTES OF THE APRIL 22, 2019 REGULAR BOARD MEETING**

"Park District meeting sites are accessible to people who require special accommodations, please contact 305-1091 48 hours prior to the meeting time."



CONSENT AGENDA

- (11-12) **RESOLUTION NO. C34-19:** REVISING MAY 2019 MEETING SCHEDULE FOR THE BOARD OF PARK COMMISSIONERS
(Contact: President Pointer)

REGULAR AGENDA

PURCHASING RESOLUTIONS
(Requiring one reading for adoption)

PUBLIC WORKS PURCHASING RESOLUTIONS
(Requiring one reading for adoption)

SINGLE READING RESOLUTIONS
(Requiring one reading for adoption)

SECOND READING RESOLUTIONS
(Requiring two readings for adoption)

- (13-37) **RESOLUTION NO. RR32-19:** A RESOLUTION OF THE BOARD OF PARK COMMISSIONERS OF THE METROPOLITAN PARK DISTRICT OF TACOMA, PIERCE COUNTY, WASHINGTON, AUTHORIZING THE ISSUANCE AND SALE OF UNLIMITED TAX GENERAL OBLIGATION REFUNDING BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$30,000,000 TO REFUND CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE DISTRICT AND TO PAY CERTAIN COSTS OF ISSUANCE OF THE BONDS; PROVIDING FOR THE ANNUAL LEVY OF TAXES TO PAY THE BONDS; AND DELEGATING TO THE CHIEF FINANCIAL OFFICER OF THE DISTRICT THE AUTHORITY TO DETERMINE THE FINAL TERMS OF THE BONDS UNDER THE TERMS AND CONDITIONS SET FORTH HEREIN.
(Contact: Erwin Vidallon, Chief Financial Officer)

FIRST READINGS:
(Requiring two readings for adoption)

UNFINISHED BUSINESS

NEW BUSINESS

BOARD COMMENTS

EXECUTIVE SESSION PENDING LITIGATION

ADJOURNMENT

UPCOMING BOARD MEETINGS

May 15, 2019	Capital Improvement Committee	5:00 PM	Park Headquarters
May 20, 2019	Committee of the Whole	5:30 PM	Park Headquarters

* Committee Meetings are subject to change - please check the Metro Parks Website, www.metroparkstacoma.org for the most up to date meeting schedules.





**MINUTES OF REGULAR MEETING
BOARD OF PARK COMMISSIONERS
APRIL 22, 2019**

PRESENT: Aaron Pointer, President
Tim Reid, Clerk
Andrea Smith
Erik Hanberg
Jessie Baines

IN THE CHAIR: Aaron Pointer

PLACE: MPT Headquarters

FLAG SALUTE: Commissioner Hanberg

STUDY SESSION QUARTERLY FINANCIAL UPDATE

Erwin Vidallon summarized the Q1 2019 by noting that the quarter finished positive despite the snow and wet February, ZEED attendance is exceeding 2019 budget targets to date, Meadow Park Golf Course rounds are exceeding 2019 budget targets to dates as well, and sales tax receipts are tracking closely to budget. Several general fund summary graphs were shown highlighting expenditures and revenues. Mr. Vidallon reviewed summary highlights of each department as follows:

Strategy & Governance:

- Favorable revenue variance generated primarily due to timing of Property Tax remittance.
- Expenditure savings generated due to vacancy of a budgeted full-time position, and for timing of invoice payments for Lobbyists.

Business & Innovation:

- Unfavorable variance in revenue resulting from Donations Foundation budgeted to B&I , but recognized in P&R.
- Combined overage primarily due to timing of salary-related expenses, including payouts to departing staff.

Parks & Recreation:

- Overall revenue earnings are unfavorable compared to projection.
- Primarily driven by earned revenues short of budget and less than expected subsidy payment from the City of Tacoma due to timing.
- Overall expenditures is favorable compared to projection
- Savings primarily from current vacant positions and timing of hiring new positions and timing of Services payments.

Planning:

- Savings generated primarily due to current position vacancies and timing of hiring of new position.

- Additional savings generated for timing of planned expenses in Supplies and Services.

Sales tax history was then reviewed.

Mr. Vidallon then highlighted each enterprise fund and noted the following:

Point Defiance Zoo & Aquarium

- Zoo attendance through March was ahead of budget by approximately 38,000.
- Overall revenue earnings favorable compared to projection.
- Specifically, favorable results in Sales Tax, memberships and admissions earnings, and timing of Tacoma Schools billing (SAMI).
- Admissions outperformed budget by \$385,000.
- Memberships outperformed budget by \$381,000.
- Overall expenses favorable variance compared to budget.
- Primarily from timing of purchase of animal food and program and other supplies compared to budget.
- Favorable savings from vacant positions and timing of hiring new positions.

NW Trek:

- Trek attendance through March was ahead of budget by approximately 6,500.
- Overall revenue earnings favorable compared to projection.
- Admissions outperformed budget by \$44,000.
- Overall expenses under budget, and favorable savings from vacant positions and timing of hiring new positions.

Meadow Park Golf Course

- Golf Course attendance through March is ahead of budget, despite being closed 14 days in February.
- 2019 number of golf rounds highest total for March since 2005.
- Overall revenue earnings favorable compared to projection.
- Specifically, golf rounds and driving range have increased.
- 2019 is the best ever golf revenue months for both January & March since the Meadow Park's existence.
- Introduced TopTracer range technology at the end of March 2019.
- Overall expenses favorable variance compared to budget.
- Primarily from timing of purchase of Supplies and Services compared to budget.

Point Defiance Marina:

- Overall revenue earnings is unfavorable compared to projection.
- Favorable weather, fair to good fishing and an influx of new storage customers contributed to the revenue earnings.
- Boat and kayak storage at 90%, the highest occupancy rate on record for March.

- Upcoming salmon seasons have been scaled back drastically, which will adversely affect revenue in summer and fall.
- Overall expenses on schedule with spending plan.
- With drop-in salmon seasons careful watch will be needed to keep expenses in line.

Board members were reminded that they recently received a detailed capital update at last month's study session. Staff did highlight the 19-20 capital budget summary as \$54M in planned spending for the biennium from capital funds.

Sandra Eliason was then introduced to highlight the District's resource development efforts. Ms. Eliason commented on the trends of district-wide funds raised over the past 6 years. Total funds raised in 17-18 were \$17.1 M. Ms. Eliason briefly spoke about key performance indicators related to grants, sponsorships and corporate relations. She recognized new sponsors including Pepsi, Titus Will and CHI Franciscan.

REGULAR MEETING

The regular meeting of the Metropolitan Park District Board of Park Commissioners was called to order by Commissioner Pointer at 6:00p.m.

SPECIAL PRESENTATIONS

Grit City Carnivore Project with Chris Schell

Alan Varsik introduced Chris Schell of University of Washington Tacoma. Mr. Schell spoke about long-term research partnership that includes Point Defiance Zoo & Aquarium, Northwest Trek, and Metro Parks Tacoma. He commented that through this partnership there is an interdisciplinary approach to study aspects of carnivore ecology and evolution. The purpose of the research is to study how carnivores are adapting in urban environments. Mr. Schell also noted the opportunities for citizen scientist to be involved in the research.

Board members commented positively on the project and inquired about getting local schools involved in the program.

Orcas Love our Rain Gardens Program

Mary Anderson and Rob Krehbiel were introduced. Ms. Anderson commented that Orcas Love Raingardens is a collaborative partnership between local government, public services including Tacoma Schools Metro Parks, Pierce Conservation District, Washington Environment Council, Defender of Wildlife, and Pierce County Environmental Services. Rob Krehbiel commented that the vision of the program is that all Tacoma Public Schools students and their families will have access to educational, interactive raingardens and will have opportunities to learn about the role of Green Infrastructure in protecting orcas. Mr. Krehbiel highlighted the education resources provided including classroom visits and free curriculum guides for educators.

PRESIDENTS REPORT

President Pointer commented on all the positive programs Metro Parks has in the community that continue to foster environmental stewardship and education.

STANDING COMMITTEE AND COUNCIL REPORTS

Arts & Heritage Advisory Council

Commissioner Smith stated that agenda items included and update on the bronze bald eagle sculpture being fund by the NW Trek Foundation that will be part of the new bald eagle exhibit.

Active Lifestyle & Community Wellness Advisory Council

Commissioner Reid commented will meet this Thursday at Dune Peninsula at 6pm.

EXECUTIVE DIRECTOR'S REPORT

Deputy Executive Director, Pete Mayer commented on the following:

- Tacoma Fire responded to a fire at Titlow lodge on Easter Sunday. Although the fire was contained there is damage including smoke and water damage. Restoration crews are on site and staff is working to reschedule rental.
- Two people became stranded on a cliff in Tacoma's Point Defiance Park late Sunday after trying to retrieve a dropped cell phone, according to the Fire Department. Crews were called about 10:20 p.m. to the Bridge's Viewpoint along Five Mile Drive. While trying to scramble down and get the dropped cell phone, both people became stuck about 70 feet below the viewpoint. A fire boat spotted the stranded visitors and notified a rope-rescue team, which took a half hour or so to pull them safely back up. Neither person was injured.
- Parks Appreciation Day is this Saturday, April 27th beginning at 9:00am. This Year's MPT official locations are: Alder wood Park, Charlotte's Blueberry Park, McKinley Park, Point Defiance Park, Wapato Park
- MPT Day of Service – 3 new opportunities for employees to contribute to the local community including: Restoration work at Oak Tree Park – April 27th, Beach survey and cleanup on the waterfront – May 18th, Adopt-A-Highway Cleanup near Northwest Trek – date TBD
- Park Rx Day - Family Health Festival at Point Defiance is Sunday, April 28, 11:00am - 4:00pm National Park Rx Day is a day celebrated across the United States to promote the growing movement of prescribing parks and nature to patients to improve human health.
- Marina Becker introduced the following new employees: Josh Mears, Michael O'Conner, Daniel Russell, Amy Boucher, Jan Bretana, Courtney Morris, and Benton Lefton.
- Staff is finishing up the Board bi-monthly memo which includes highlights about the wading pool at Portland Avenue and new leadership at KWA.

CITIZEN COMMENTS

Stephanie Smith commented that she is concerned about renovations by KWA taking place at the Portland Avenue Community Center that are eliminating meeting space. She also commented that KWA has not been responsive to her questions and concerns.

MINUTES OF THE APRIL 8, 2019 REGULAR BOARD MEETING

Commissioner Hanberg moved to adopt the minutes as amended; seconded by Commissioner Reid and passed on a vote of 5-0.

CONSENT AGENDA

RESOLUTION NO. C31-19: BROWNS POINT LIGHTHOUSE PARK FINAL ACCEPTANCE PUGET PAVING AND CONSTRUCTION

Commissioner Reid moved to adopt the consent agenda as presented; seconded by Commissioner Baines and passed on a vote of 5-0.

PURCHASING RESOLUTIONS None

PUBLIC WORKS PURCHASING RESOLUTIONS None

SINGLE READING RESOLUTIONS

RESOLUTION NO. R33-19: MASTER AGREEMENT FOR MISCELLANEOUS TOPOGRAPHIC SURVEY AND WETLANDS/STREAM SERVICES CONTRACT AWARDED TO DAVID EVANS AND ASSOCIATES, INC.

Commissioner Hanberg moved to adopt the resolution; seconded by Commissioner Reid.

Marty Stump commented that this is a professional services agreement for a number of Metro Parks capital projects. The contract will extend from April 2019 through March 2021. He noted that the CIC reviewed this twice for the purpose of addressing MWBE concerns raised by the commissioners.

Being no additional comments the question was called and the resolution passed on a vote of 5-0.

SECOND READINGS RESOLUTIONS None

FIRST READING RESOLUTIONS

RESOLUTION NO. RR32-19: A RESOLUTION OF THE BOARD OF PARK COMMISSIONERS OF THE METROPOLITAN PARK DISTRICT OF TACOMA, PIERCE COUNTY, WASHINGTON, AUTHORIZING THE ISSUANCE AND SALE OF UNLIMITED TAX GENERAL OBLIGATION REFUNDING BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$30,000,000 TO REFUND CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE DISTRICT AND TO PAY CERTAIN COSTS OF ISSUANCE OF THE BONDS; PROVIDING FOR THE ANNUAL LEVY OF TAXES TO PAY THE BONDS; AND DELEGATING TO THE CHIEF FINANCIAL OFFICER OF THE DISTRICT THE AUTHORITY TO DETERMINE THE FINAL TERMS OF THE BONDS UNDER THE TERMS AND CONDITIONS SET FORTH HEREIN.

Commissioner Hanberg moved to adopt the resolution; seconded by Commissioner Reid.

Erwin Vidallon introduced the District's Bond team. The Board was informed that this resolution authorizes the refunding of the 2010 Build America Bonds. Staff noted that District has an opportunity to refund outstanding Unlimited Tax General Obligation (UTGO) bonds originally issued in 2010. Staff commented that by refunding the 2010 bonds, the District would save taxpayers approximately \$2,000,000 in debt payments over the remaining life of the bonds.

Being no additional comments the resolution was moved to second reading on May 13th.

UNFINISHED BUSINESS None

NEW BUSINESS

Tacoma Green School Yards Plan

Joe Brady reminded the Board of the Park District’s strategic framework. Mr. Brady also commented on the Districts efforts to reach a goal of ensuring that every resident of Tacoma lives within a ten-minute walk to a high-quality park or green space. A map highlighting school facilities was then reviewed. This body of work will include geographically analyzing the spatial distribution of schools in the context of the current and expected gaps in service provided by Metro parks Tacoma. Staff will also collaboratively identify, prioritize and solve the necessary interagency policy gaps and operational roles between MPT and TPS as they related to the program. Mr. Brady indicated that staff will also need to identify supporting partners and identify and solicit philanthropic support from the community. Staff noted that they will also need to make a similar presentation to the Tacoma School Board.

Commissioner Hanberg voiced concern over the plan indicating that citizens may want the District to actually acquire additional property to meet the goals rather than using school yards. Commissioner Baines commented that this approach to provide more park space may upset some citizens as they may not see it as equitable.

BOARD COMMENTS

Commissioner Hanberg stated that he recently held his daughter’s Birthday Party at the STAR Center.

Commissioner Hanberg commented he attend a Tacoma Reign game, noting that the future of soccer in Tacoma looks bright.

Commissioner Smith thanked staff member Andrew Austin for his legislative work. She also commented that on April 14th that several board members attended the Daffodil Boat Parade where they received comments about the ramps at the Tacoma Yacht Club.

ADJOURN:

Being no further business, the meeting was adjourned at 7:50 p.m.

APPROVED:

President

Clerk

Submitted by: Jennifer Bowman, Board Secretary



MEMORANDUM

TO: Board of Park Commissioners

FROM: Aaron Pointer, Board President

SUBJECT: Revising May 2019 Board Meeting Schedule

DATE: May 7, 2019

EXECUTIVE SUMMARY: It is requested that the Board of Park Commissioners revise its meeting schedule for the month of May. Being May 27 is Memorial Day, it is requested that the meeting be rescheduled to Tuesday, May 28th.

BACKGROUND: The Park Board of Commissioners passed resolution RR75-14 that states meetings of the Board of Park Commissioners are to be on the 2nd and 4th Mondays of each month unless changed by Board action and announced to the public. The Board is requesting that the May 27, 2019 Regular Board Meeting be rescheduled to Tuesday, May 28, 2019

FISCAL IMPACT: None.

ADDITIONAL INFORMATION: For additional information contact President Pointer at (253) 305-1091.

METROPOLITAN PARK DISTRICT OF TACOMA

RESOLUTION NO. C34-19

**REVISING MAY 2019 MEETING SCHEDULE FOR
THE BOARD OF PARK COMMISSIONERS**

WHEREAS, the Metropolitan Park District of Tacoma's Board of Park Commissioners established its meeting schedule with the adoption of Resolution No. RR75-14; and

WHEREAS, Resolution No. RR75-14 provides the meeting of the Board of Park Commissioners are to be on the 2nd and 4th Mondays of each month unless changed by Board action and announced to the public; and

WHEREAS, from time to time the Board of Park Commissioners desires to revise and amend its meeting schedule; and

WHEREAS, the second Board Meeting in May falls on May 27, 2019, Memorial Day ; now, therefore, be it

RESOLVED by the Board of Park Commissioners of the Metropolitan Park District of Tacoma that it hereby revise its meeting schedule by rescheduling the May 27, 2019 regularly scheduled Board Meeting to Tuesday, May 28, 2019.

The foregoing resolution was adopted by the Board of Park Commissioners of the Metropolitan Park District of Tacoma at a meeting held on _____, 2019.

ATTEST:

President

Secretary

Clerk



MEMORANDUM

TO: Board of Park Commissioners

THROUGH: Shon Sylvia, Executive Director *Shon Sylvia*

FROM: Erwin Vidallon, Chief Financial Officer

SUBJECT: Authorizing up to \$30,000,000 Refunding of 2010 Unlimited Tax General Obligation (UTGO) Bonds and Delegate Authority to the Chief Financial Officer

DATE: April 17, 2019

EXECUTIVE SUMMARY: This resolution authorizes the refunding of the 2010 Build America Bonds. The District has an opportunity to refund outstanding Unlimited Tax General Obligation (UTGO) bonds originally issued in 2010. By refunding the 2010 bonds, the District would save taxpayers approximately \$2,000,000 in debt payments over the remaining life of the bonds. The resolution also delegates authority to the Chief Financial Officer to refund and re-issue the bonds at the most advantageous terms to the District. The resolution also delegates to the Chief Financial Officer the authority to determine the final terms and conditions most advantageous to the District.

This refund and re-issue will be a negotiated sale with our underwriter, Key Banc Capital Markets, serving as the Board's lead negotiator (Geoff Urbina, Managing Director will be at the April 22nd meeting). The Board's financial advisor, NW Municipal Advisors, will also assist Metro Parks in the negotiation to provide additional due diligence and ensure that the District receives the most competitive price for the re-issuance of bonds at the time of closing. The Board's bond counsel, Deanna Gregory from Pacifica Law Group, will also be in attendance to answer any legal questions regarding the bonds.

The schedule for the bond refunding is projected to be:

- April 19th Credit Rating Presentation
- April 22nd First Reading
- May 13th Second Reading & Adoption of Resolution
- May 14th Bond Pricing and Purchase Agreement Execution
- Week of June 3rd Bond Closing

BACKGROUND: On November 1, 2010, the Board authorized the fourth and final sale of bonds associated with the 2005 \$84.3M Bond. The \$25.0M bonds in 2010 were issued under the Build America Bonds (BABs) program as part of the American Recovery and Reinvestment Act, which the program expired in 2010. This program was introduced during the recession to encourage investments in the local sector and to ensure that local municipalities and counties were able to raise the much-needed capital to revitalize their local economies. The interest rates on these bonds were subsidized by the Federal government, making the cost of borrowing for infrastructure projects cheaper for state and local governments. The tax credit BABs offered bondholders and lenders was a 35% Federal subsidy of interest paid through refundable tax credits, reducing the bondholder's tax liability.

This proposal is consistent with Section XI. Debt Management Policy of MPT's 100.011 Comprehensive Financial Management Policy, which applies to the issuance and repayment of debt:

1. The Board of Park Commissioners approval is required prior to issuance of debt.
2. MPT will comply with all statutory debt limitations imposed by the Revised Code of Washington (RCW).
3. The Director of Management and Budget, or designee, has the authority to act as debt manager in the duties of debt issuance and related repayment activities.
4. MPT will use the services of a legally certified and credible bond counsel in the preparation of all bond representations.
5. A financial advisor may be used to provide MPT with objective advice and analysis on debt issuance.
6. A fiscal agent will be used to provide accurate and timely securities processing and timely payment to bondholders. As provided by chapter 43.80 RCW, MPT will use the fiscal agent appointed by the state.
7. An underwriter will be used for all debt issued in a negotiated or private placement sale method. The underwriter is responsible for purchasing negotiated or private placement debt and reselling the debt to investors.
8. MPT will generally issue its debt through a competitive process but may use a negotiated process.
9. MPT will not use long-term debt to support current operations.
10. Long-term borrowing will only be used for capital improvements that cannot be financed from current revenues.

11. Short-term borrowing (one year or less) will only be used to meet the immediate financing needs of a project for which long-term financing has been secured but not yet received.
12. The issuance of bonds shall be financed for a period not to exceed a conservative estimate of the asset's useful life, or a maximum of 20 years.
13. MPT will seek to maintain or improve its bond rating through financial policies, budgets, and forecasts.
14. MPT may use refunding bonds where appropriate, when restructuring its current outstanding debt. A debt refunding is a refinance of debt typically done to take advantage of lower interest rates. Unless otherwise justified, such as a desire to remove or change a bond covenant or restructure debt repayment due to cash flow needs, a debt refunding will require a present value savings of five percent of the principal amount of the refunding debt being issued.
15. MPT will use bond proceeds pursuant to the bond resolutions, contracts, and Internal Revenue Codes applicable to government bonds. MPT will maintain a system of recordkeeping and reporting to meet and satisfy calculations necessary for yield restriction requirements and arbitrage rebate requirements on the District's tax-exempt bonds.
16. The Management & Budget Director shall be responsible for providing annual disclosure information to established national information repositories and for maintaining compliance with disclosure statements as required by state and national regulatory bodies.

In addition to authorizing the refunding, the resolution delegates authority to the Chief Financial Officer to undertake the transactions. Since market conditions for bond interest rates fluctuates and may increase, the most favorable market conditions may occur on a day other than a regularly scheduled Board meeting. Therefore, it is important for the Chief Financial Officer to have the discretion to take advantage of the most favorable market conditions on behalf of the District. The delegation authority establishes certain parameters that must be met for the issues, including maximum issue amounts and interest costs. The authority expires after 180 days from the Board's approval.

FISCAL IMPACT: By refunding the 2010 bond, the District would save taxpayers approximately \$2,000,000 in debt payments over the remaining life of the bonds. This translates to a projected annual excess levy savings for an average homeowner of approximately \$2.26 for the life of the bonds, which is through 2030.

Since the issues are UTGO bonds, there is no direct fiscal impact to the District. With this refunding, the new bonds will no longer be considered BABs bonds.

ADDITIONAL INFORMATION: For additional information, please contact Erwin Vidallon at 253-305-1081.

METROPOLITAN PARK DISTRICT OF TACOMA
PIERCE COUNTY, WASHINGTON

UNLIMITED TAX GENERAL OBLIGATION REFUNDING BONDS

RESOLUTION NO. RR32-19

A RESOLUTION OF THE BOARD OF PARK COMMISSIONERS OF THE METROPOLITAN PARK DISTRICT OF TACOMA, PIERCE COUNTY, WASHINGTON, AUTHORIZING THE ISSUANCE AND SALE OF UNLIMITED TAX GENERAL OBLIGATION REFUNDING BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$30,000,000 TO REFUND CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE DISTRICT AND TO PAY CERTAIN COSTS OF ISSUANCE OF THE BONDS; PROVIDING FOR THE ANNUAL LEVY OF TAXES TO PAY THE BONDS; AND DELEGATING TO THE CHIEF FINANCIAL OFFICER OF THE DISTRICT THE AUTHORITY TO DETERMINE THE FINAL TERMS OF THE BONDS UNDER THE TERMS AND CONDITIONS SET FORTH HEREIN.

APPROVED ON May 13, 2019

PREPARED BY:

PACIFICA LAW GROUP LLP
Seattle, Washington

METROPOLITAN PARK DISTRICT OF TACOMA

RESOLUTION NO. RR32-19

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Exhibit A – Bond Form

* 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. RR32-19

A RESOLUTION OF THE BOARD OF PARK COMMISSIONERS OF THE METROPOLITAN PARK DISTRICT OF TACOMA, PIERCE COUNTY, WASHINGTON, AUTHORIZING THE ISSUANCE AND SALE OF UNLIMITED TAX GENERAL OBLIGATION REFUNDING BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$30,000,000 TO REFUND CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS OF THE DISTRICT AND TO PAY CERTAIN COSTS OF ISSUANCE OF THE BONDS; PROVIDING FOR THE ANNUAL LEVY OF TAXES TO PAY THE BONDS; AND DELEGATING TO THE CHIEF FINANCIAL OFFICER OF THE DISTRICT THE AUTHORITY TO DETERMINE THE FINAL TERMS OF THE BONDS UNDER THE TERMS AND CONDITIONS SET FORTH HEREIN.

WHEREAS, the Metropolitan Park District of Tacoma, Pierce County, Washington (the "District") has outstanding its Unlimited Tax General Obligation Bonds, 2010 (Taxable Build America Bonds – Direct Payment to Issuer), dated December 9, 2010 (the "2010 Bonds"), issued pursuant to Substitute Resolution No. RR89-10 (the "2010 Bond Resolution"); and

WHEREAS, the 2010 Bond Resolution provides that the 2010 Bonds may be refunded and defeased in whole or in part on any date on or after December 1, 2020, at par plus accrued interest to the date of redemption; and

WHEREAS, the Board of Park Commissioners of the District (the "Board") has determined that it is in the best interest of the District to defease and/or refund all of the 2010 Bonds by the issuance and sale of unlimited tax general obligation refunding bonds of the District in the aggregate principal amount of not to exceed \$30,000,000 (the "Bonds") to realize a savings to the District; and

WHEREAS, the District expects to receive a proposal from KeyBanc Capital Markets Inc. (the "Underwriter") and now desires to issue and sell the Bonds to the Underwriter as set forth herein; and

WHEREAS, as authorized by RCW 39.46.040, the Board wishes to delegate authority to the Chief Financial Officer of the District, for a limited time, to approve the sale date, interest rates, maturity dates, redemption terms and principal maturities for the Bonds under such terms and conditions as are approved by this resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF PARK COMMISSIONERS OF THE METROPOLITAN PARK DISTRICT OF TACOMA, PIERCE COUNTY, WASHINGTON, as follows:

Section 1. Definitions.

As used in this resolution, the following words shall have the following meanings:

Acquired Obligations means the Government Obligations acquired by the District under the terms of this resolution and the Escrow Agreement to effect the defeasance and refunding of the Refunded Bonds, but only to the extent that the same are acquired at Fair Market Value.

Beneficial Owner means the beneficial owner of all or a portion of a Bond while such Bond is in fully immobilized form.

Board means the Board of Park Commissioners of the District as the same shall be duly and regularly constituted from time to time.

Bond Counsel means Pacifica Law Group LLP or an attorney at law or a firm of attorneys, selected by the District, of nationally recognized standing in matters pertaining to the tax exempt nature of interest on bonds issued by states and their political subdivisions.

Bond Fund means the fund or account authorized to be created pursuant to Section 8 of this resolution.

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

Bond Registrar means the fiscal agent of the State, whose duties include registering and authenticating the Bonds, maintaining the Bond Register, transferring ownership of the Bonds, and paying the principal of and interest on the Bonds.

Bonds mean the District's Unlimited Tax General Obligation Refunding Bonds, with the appropriate series designation as approved by the Designated Representative, authorized to be issued pursuant to the terms of this resolution.

Call Date means the date specified in the Escrow Agreement for the refunding of the Refunded Bonds.

Chief Financial Officer means the duly appointed and acting Chief Financial Officer of the District or the successor to such office.

Closing means the date of delivery of the Bonds to the Underwriter.

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

Continuing Disclosure Certificate means the written undertaking for the benefit of the owners and Beneficial Owners of the Bonds as required by Section (b)(5) of the Rule.

Designated Representative means the Chief Financial Officer of the District, or his or her designee.

District means the Metropolitan Park District of Tacoma, Pierce County, Washington, a municipal corporation duly organized and existing under and by virtue of the laws of the State.

DTC means The Depository Trust Company of New York, New York, as depository for the Bonds, or any successor depository for the Bonds.

Escrow Agent means the financial institution selected pursuant to Section 10 of this resolution.

Escrow Agreement means the Escrow Deposit Agreement between the District and the Escrow Agent to be dated as of the date of closing and delivery of the Bonds.

Fair Market Value means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's 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 the Designated Representative setting forth the requirements of the Code for maintaining the tax exemption of interest on the Bonds, and attachments thereto.

Government Obligations means those obligations now or hereafter defined as such in chapter 39.53 RCW constituting direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, as such chapter may be hereafter amended or restated.

Letter of Representations means the Blanket Issuer Letter of Representations from the District to DTC.

MSRB means the Municipal Securities Rulemaking Board or any successors to its functions.

Official Statement means the disclosure documents prepared and delivered in connection with the issuance of the Bonds.

Purchase Contract means the bond purchase agreement between the District and the Underwriter provided for in Section 12 of this resolution.

Record Date means the close of business for the Bond Registrar that is 15 days preceding any interest and/or principal payment or redemption date.

Refunded Bonds means the 2010 Bonds.

Refunding Account means the account by that name established pursuant to this resolution.

Registered Owner means the person in whose name a Bond is registered on the Bond Register. For so long as the District utilizes the book-entry only system for the Bonds, DTC shall be deemed to be the Registered Owner.

Rule means the United States Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended from time to time.

State means the state of Washington.

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

2010 Bond Resolution means Substitute Resolution No. RR89-10 adopted by the Board on November 22, 2010, authorizing the issuance of the 2010 Bonds.

2010 Bonds means the District's Unlimited Tax General Obligation Bonds, 2010 (Taxable Build America Bonds – Direct Payment to Issuer), dated December 9, 2010, issued pursuant to the 2010 Bond Resolution.

Underwriter means KeyBanc Capital Markets Inc., or its successors.

Rules of Interpretation. In this resolution, unless the context otherwise requires:

(a) 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;

(b) Words of the masculine or feminine gender shall mean and include correlative words of any genders and words importing the singular number shall mean and include the plural number and vice versa;

(c) 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;

(d) 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

(e) 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 Bonds.

For the purpose of (a) defeasance and refunding the Refunded Bonds and thereby effecting a savings to the District, and (b) paying costs of issuance, the District shall now issue and sell its unlimited tax general obligation refunding bonds in the aggregate principal amount of not to exceed \$30,000,000 (the “Bonds”), as set forth herein.

The Bonds shall be designated as the “Metropolitan Park District of Tacoma, Pierce County, Washington, Unlimited Tax General Obligation Refunding Bonds, 2019” with the series designation or other such designation as determined to be necessary by the Designated Representative. The Bonds shall be dated as of the date of Closing; shall be fully registered as to both principal and interest; shall be in the denomination of \$5,000 each or any integral multiple thereof within a maturity, provided that no Bond shall represent more than one maturity; shall be numbered separately in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification; and shall bear interest from their date payable on the days and at the rates set forth in the Purchase Contract; and shall mature on the dates and in the principal amounts set forth in the Purchase Contract and as approved by the Designated Representative pursuant to Section 12 of this resolution.

Section 3. Registration, Payment and Transfer.

(a) *Bond Registrar/Bond Register.* The District hereby requests that the Treasurer specify and adopt the system of registration and transfer for the Bonds 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 any Bonds remain outstanding, the Bond Registrar shall make all necessary provisions to permit the exchange or registration or transfer of Bonds 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, DTC 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 is authorized, on behalf of the District, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of such Bonds and this resolution and to carry out all of the Bond Registrar's powers and duties under this resolution. The Bond Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Bonds.

(b) *Registered Ownership.* The District and the Bond Registrar, each in its discretion, may deem and treat the Registered Owner of each Bond as the absolute owner thereof for all purposes (except as provided in the ongoing disclosure undertaking executed in accordance with the Rule), and neither the District nor the Bond Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as described in Section 3(g) hereof, but such Bond may be transferred as herein provided. All such payments made as described in Section 3(g) shall be valid and shall satisfy and discharge the liability of the District upon such Bond to the extent of the amount or amounts so paid.

(c) *DTC Acceptance/Letter of Representations.* The District has executed and delivered to DTC a Letter of Representations. Neither the District nor the Bond Registrar will have any responsibility or obligation to DTC participants or the persons for whom they act as nominees (or any successor depository) with respect to the Bonds in respect of the accuracy of any records maintained by DTC (or any successor depository) or any DTC participant, the payment by DTC (or any successor depository) or any DTC participant of any amount in respect of the principal of or interest on Bonds, any notice which is permitted or required to be given to Registered Owners under this resolution (except such notices as shall be required to be given by the District to the Bond Registrar or to DTC (or any successor depository), or any consent given or other action taken by DTC (or any successor depository) as the Registered Owner. For so long as any Bonds are held in fully-immobilized form hereunder, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes hereunder, and all references herein to the Registered Owners shall mean DTC (or any successor depository) or its nominee and shall not mean the owners of any beneficial interest in such Bonds.

(d) *Use of Depository.*

(1) The Bonds shall be registered initially in the name of "Cede & Co.", as nominee of DTC, with one Bond maturing on each of the maturity dates for the Bonds in a denomination corresponding to the total principal therein designated to mature on such date.

Registered ownership of such immobilized Bonds, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute depository appointed by the Designated Representative pursuant to subsection (2) below or such substitute depository's successor; or (C) to any person as provided in subsection (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Designated Representative to discontinue the system of book-entry transfers through DTC or its successor (or any substitute depository or its successor), the Designated Representative may hereafter appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (A) or (B) of subsection (1) above, the Bond Registrar shall, upon receipt of all outstanding Bonds, together with a written request from the Designated Representative, issue a single new Bond for each maturity then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the Designated Representative.

(4) In the event that (A) DTC or its successor (or any substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (B) the Designated Representative determines that it is in the best interest of the beneficial owners of the Bonds that such owners be able to obtain such Bonds in the form of Bond certificates, the ownership of such Bonds may then be transferred to any person or entity as herein

provided, and shall no longer be held in fully-immobilized form. The Designated Representative shall deliver a written request to the Bond Registrar, together with a supply of definitive Bonds, to issue Bonds as herein provided in any authorized denomination. Upon receipt by the Bond Registrar of all then outstanding Bonds together with a written request on behalf of the Board to the Bond Registrar, new Bonds shall be issued in the appropriate denominations and registered in the names of such persons as are requested in such written request.

(e) *Registration of Transfer of Ownership or Exchange; Change in Denominations.* The transfer of any Bond may be registered and Bonds may be exchanged, but no transfer of any such Bond shall be valid unless such Bond is surrendered to the Bond Registrar with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Bond Registrar. Upon such surrender, the Bond Registrar shall cancel the surrendered Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Bond (or Bonds at the option of the new Registered Owner) of the same date, maturity, redemption provisions and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Bond, in exchange for such surrendered and cancelled Bond. Any Bond may be surrendered to the Bond Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same date, maturity, redemption provisions and interest rate, in any authorized denomination. The Bond Registrar shall not be obligated to register the transfer or to exchange any Bond during the 15 days preceding the date any such Bond is to be redeemed.

(f) *Bond Registrar's Ownership of Bonds.* The Bond Registrar may become the Registered Owner of any Bond with the same rights it would have if it were not the Bond Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the right of the Registered Owners of the Bonds.

(g) *Place and Medium of Payment.* Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be calculated on the basis of a year of 360 days and twelve 30 day months. For so long as all Bonds are held by a depository, payments of principal thereof and interest thereon shall be made to Registered Owners as of the Record Date as provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations. In the event that the Bonds are no longer held by a depository, interest on the Bonds shall be paid by check or draft mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register on the Record Date, or upon the written request of a Registered Owner of more than \$1,000,000 of Bonds (received by the Bond Registrar at least by the Record Date), such payment shall be made by the Bond Registrar by wire transfer to the account within the United States designated by the Registered Owner. Principal of the Bonds shall be payable upon presentation and surrender of such Bonds by the Registered Owners at the designated office of the Bond Registrar.

If any Bond shall be duly presented for payment and funds have not been duly provided by the District on such applicable date, then interest shall continue to accrue thereafter on the unpaid principal thereof at the rate stated on such Bond until such Bond is paid.

Section 4. Redemption and Purchase of Bonds.

(a) *Optional Redemption.* The Designated Representative may designate all or a portion of the maturities of the Bonds as being subject to redemption at the option of the District prior to their respective maturities on the dates and at the prices set forth in the Purchase Contract.

(b) *Mandatory Redemption.* In the event that the Underwriter specifies one or more maturities as term bonds, the term bonds will be redeemed in accordance with the maturity schedule set forth in the Purchase Contract (unless such term bonds shall previously have been optionally redeemed).

(c) *Selection of Bonds for Redemption.* As long as the Bonds are held in book-entry only form, the selection of Bonds within a maturity to be redeemed shall be made in accordance with the operational arrangements in effect at DTC. If the Bonds are no longer held in uncertificated form, the selection of such Bonds to be redeemed shall be made as provided in this subsection (c). If the District redeems at any one time fewer than all of the Bonds having the same maturity date, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot (or in such other manner determined by the District) in increments of \$5,000. In the case of a Bond of a denomination greater than \$5,000, the District and Bond Registrar shall treat each Bond as representing such number of separate Bonds each of the denomination of \$5,000 as is obtained by dividing the actual principal amount of such Bond by \$5,000. In the event that only a portion of the principal sum of a Bond is redeemed, upon surrender of such Bond at the principal office of the Bond Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal sum thereof, at the option of the Registered Owner, a Bond or Bonds of like maturity and interest rate in any of the denominations herein authorized. If Bonds are called for optional redemption, portions of the principal amount of such Bonds, in installments of \$5,000 or any integral multiple of \$5,000, may be redeemed.

(d) *Purchase of Bonds.* The District reserves the right to purchase any of the Bonds offered to it at any time at a price deemed reasonable by the District.

(e) *Notice of Redemption.*

(1) Official Notice. Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any such redemption, which notice may be conditional, shall be given by the Bond Registrar on behalf of the District by mailing a copy of an official redemption notice by first class mail at least 20 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar. Notwithstanding anything to the contrary herein, for so long as the Bonds are held in uncertificated form, notice of redemption shall be given in accordance with the operational arrangements of DTC as then in effect, and neither the District nor the Bond Registrar will provide any notice of redemption to any Beneficial Owners.

All official notices of redemption shall be dated and shall state: (A) the redemption date, (B) the redemption price, (C) if fewer than all outstanding Bonds are to be redeemed, the identification by series and maturity (and, in the case of partial redemption, the respective principal

amounts) of the Bonds to be redeemed,(D) that (unless the notice of redemption is a conditional notice, in which case the notice shall state that interest shall cease to accrue from the redemption date if and to the extent that funds have been provided to the Bond Registrar for the redemption of Bonds) on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, (E) any conditions to redemption; and (F) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Bond Registrar.

On or prior to any redemption date, unless such redemption has been rescinded or revoked, the District shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date. The District retains the right to rescind any redemption notice and the related optional redemption of Bonds by giving notice of rescission to the affected registered owners at any time on or prior to the scheduled redemption date. Any notice of optional redemption that is so rescinded shall be of no effect, and the Bonds for which the notice of optional redemption has been rescinded shall remain outstanding.

(2) Effect of Notice; Bonds Due. If notice of redemption has been given and not rescinded or revoked, or if the conditions set forth in a conditional notice of redemption have been satisfied or waived, the Bonds or portions of Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. All Bonds which have been redeemed shall be canceled by the Bond Registrar and shall not be reissued.

(3) Additional Notice. In addition to the foregoing notice, further notice may be given by the District as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers of all Bonds being redeemed; (B) the date of issue of the Bonds as originally issued; (C) the rate of interest, if any, borne by each Bond being redeemed; (D) the maturity date of each Bond being redeemed; and (E) any other descriptive information needed to identify accurately the Bonds being redeemed. Each further notice of redemption may be sent at least 20 days before the redemption date to each party entitled to receive notice pursuant to Section 14 and to the Underwriter and with such additional information as the District shall deem appropriate, but such mailings shall not be a condition precedent to the redemption of such Bonds.

(4) CUSIP Number. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(5) Amendment of Notice Provisions. The foregoing notice provisions of this Section 4, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended by additions, deletions and changes in order to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

Section 5. Form of Bonds.

The Bonds shall be in substantially the form set forth in Exhibit A, which is incorporated herein by this reference.

Section 6. Execution of Bonds.

The Bonds shall be executed on behalf of the District with the facsimile or manual signatures of the President and Secretary of its Board, and shall have the seal of the District impressed or a facsimile thereof imprinted, or otherwise reproduced thereon.

In case either or both of the officers who have signed or attested any of the Bonds cease to be such officer before such Bonds have been actually issued and delivered, such Bonds 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 Bonds had not ceased to be such officers, and any 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.

Only Bonds that bear a Certificate of Authentication in the form set forth in Exhibit A, manually executed by the Bond Registrar, shall 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 Bonds so authenticated have been duly executed, authenticated and delivered and are entitled to the benefits of this resolution.

Section 7. Lost or Destroyed Bonds.

If any Bonds are lost, stolen or destroyed, the Bond Registrar may authenticate and deliver a new Bond or Bonds of like amount, maturity and tenor to the Registered Owner upon the owner's paying the expenses and charges of the Bond Registrar and the District in connection with preparation and authentication of the replacement Bond or Bonds and upon his or her filing with the Bond Registrar and the District evidence satisfactory to both that such Bond or Bonds were actually lost, stolen or destroyed and of his or her ownership, and upon furnishing the District and the Bond Registrar with indemnity satisfactory to both.

Section 8. Bond Fund; Pledge of Taxes and Credit.

The District shall maintain a fund or account (the "Bond Fund"), with the appropriate designation as determined by the District, which shall be held in trust by the Treasurer of the District for the benefit of the owners of the Bonds until all such Bonds are paid or deemed paid. Money in the Bond Fund shall be used solely to pay principal of and interest on the Bonds as provided in this resolution and Bond Registrar costs. For so long as any Bonds remain outstanding,

the District hereby irrevocably obligates and binds itself to set aside and pay into the Bond Fund out of available money, on or prior to the principal or interest payment date, an amount sufficient (with other amounts available in the Bond Fund) to pay all Bond principal and interest which is due on that payment date. On or before each payment date the District or the Treasurer shall transfer to the Bond Registrar the amount due on the Bonds on that payment date. Money in the Bond Fund may be invested as permitted by law, but only to the extent that the same are acquired, valued and disposed of at Fair Market Value. All interest earned and profits derived from such investments shall be retained in and become a part of the Bond Fund. After all bonds authorized pursuant to the Election Resolution have been fully paid and are no longer outstanding, any money remaining in the Bond Fund shall be deposited into the General Fund.

The District hereby irrevocably covenants that, unless the principal of and interest on the Bonds are paid from other sources, it will make annual levies of taxes without limitation as to rate or amount upon all of the property subject to taxation in amounts sufficient to pay such principal and interest as the same shall become due. The full faith, credit and resources of the District are hereby irrevocably pledged for the annual levy and collection of such taxes and for the prompt payment of such principal and interest.

Section 9. Defeasance.

In the event that money and/or noncallable Government Obligations, maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to redeem and retire part or all of the Bonds in accordance with their terms, are set aside in a special account of the District to effect such redemption and retirement, and such money and the principal of and interest on such Government Obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the Bond Fund for the payment of the principal of and interest on the Bonds so provided for, and such Bonds shall cease to be entitled to any lien, benefit or security of this resolution except the right to receive the money so set aside and pledged, and such Bonds shall be deemed not to be outstanding hereunder. The District shall give or cause to be given written notice of defeasance in accordance with the Continuing Disclosure Certificate.

Section 10. Refunding Procedures; Call for Redemption of Refunded Bonds.

(a) *Plan of Refunding.* The District proposes to defease and/or refund the Refunded Bonds as set forth herein. A portion of the proceeds of the Bonds shall be deposited with the Escrow Agent pursuant to the Escrow Agreement to be used immediately upon receipt thereof to defease the Refunded Bonds as authorized by the 2010 Bond Resolution and to pay costs of issuance and administrative costs of the refunding.

The proceeds of the Bonds deposited with the Escrow Agent shall be used to defease the Refunded Bonds and discharge the obligations thereon by the purchase of Acquired Obligations bearing such interest and maturing as to principal and interest in such amounts and at such times which, together with any necessary beginning cash balance, will provide for the payment of:

(1) interest on the Refunded Bonds as such becomes due on and prior to the Call Date;
and

(2) the redemption price (100% of the principal amount) of the Refunded Bonds on the Call Date.

Such Acquired Obligations shall be purchased at a yield not greater than the yield permitted by the Code and regulations relating to acquired obligations in connection with refunding bond issues.

(b) *Escrow Agent; Escrow Agreement.* The Designated Representative is hereby authorized to solicit proposals from and to select an Escrow Agent. A beginning cash balance, if any, and the Acquired Obligations shall be deposited irrevocably with the Escrow Agent in an amount sufficient to defease and/or redeem the Refunded Bonds. The proceeds of the Bonds remaining after acquisition of the Acquired Obligations and provision for the necessary beginning cash balance shall be used to pay expenses of the acquisition and safekeeping of the Acquired Obligations and costs of issuance of the Bonds and the administrative costs of the refunding. In order to carry out the purposes of this section, the Designated Representative is authorized and directed to execute and deliver the Escrow Agreement to the Escrow Agent.

(c) *Call for Redemption of 2010 Bonds.* The District hereby sets aside available funds of the District and sufficient funds out of the purchase of Acquired Obligations from proceeds of the Bonds to make the payments described above. The District further calls the Refunded Bonds for redemption on the Call Date in accordance with the provisions of the 2010 Bond Resolution authorizing the redemption and retirement of the 2010 Bonds prior to their fixed maturities. Said defeasance and call for redemption of the Refunded Bonds shall be irrevocable after the issuance of the Bonds and delivery of cash and/or Acquired Obligations to the Escrow Agent. The Escrow Agent is hereby authorized and directed to provide for the giving of notices of defeasance and/or redemption of the Refunded Bonds in accordance with the applicable provisions of the 2010 Bond Resolution. The costs of publication of such notices shall be an expense of the District.

The Escrow Agent is hereby authorized and directed to pay to the Treasurer, or, at the direction of the Treasurer, to the paying agent for the Refunded Bonds, sums sufficient to pay, when due, the payments specified in this section. All such sums shall be paid from the moneys and Acquired Obligations deposited with the Escrow Agent, and the income therefrom and proceeds thereof. All such sums so paid to or to the order of the Treasurer shall be credited to the Refunding Account (which is hereby authorized to be created) or other funds created under the Escrow Agreement. All moneys and Acquired Obligations deposited with the Escrow Agent and any income therefrom shall be held, invested (but only at the direction of the Chief Financial Officer) and applied in accordance with the provisions of this resolution, the Escrow Agreement, and with the laws of the State for the benefit of the District and owners of the Refunded Bonds.

The District will take such actions as are found necessary to see that all necessary and proper fees, compensation and expenses of the Escrow Agent for the Refunded Bonds shall be paid when due.

Section 11. Tax Covenants.

The District will take all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the owners of the Bonds 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 Bonds, including but not limited to the following:

(a) *Private Activity Bond Limitation.* The District will assure that the proceeds of the Bonds are not so used as to cause the Bonds 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.

(b) *Limitations on Disposition of the Projects.* The District will not sell or otherwise transfer or dispose of (i) any personal property components of the projects refinanced with proceeds of the Bonds other than in the ordinary course of an established government program under Treasury Regulation 1.141-2(d)(4) or (ii) any real property components of such projects, 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 Bonds as excludable from gross income for federal income tax purposes.

(c) *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 any of the Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

(d) *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 Bonds.

(e) *No Arbitrage.* The District will not take, or permit or suffer to be taken, any action with respect to the proceeds of the Bonds 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 Bonds would have caused the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code.

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

(g) *Record Retention.* The District will retain its records of all accounting and monitoring it carries out with respect to the Bonds for at least three years after the Bonds mature or are redeemed (whichever is earlier); however, if the Bonds are 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 Bonds.

(h) *Compliance with Federal Tax Certificate.* The District will comply with the provisions of the Federal Tax Certificate with respect to the Bonds, which are incorporated herein as if fully set forth herein. The covenants of this section will survive payment in full or defeasance of the Bonds.

Section 12. Sale of the Bonds; Delegation.

(a) *Delegation.* The Bonds shall be sold by negotiated sale to the Underwriter pursuant to the terms of the Purchase Contract executed in connection with the issuance of the Bonds. The

Board has determined that it is in the best interest of the District to delegate to the Designated Representative, for a limited time, the authority to approve the final interest rates, aggregate principal amount, principal amount of each maturity, maturity dates, and redemption terms for the Bonds. Subject to the terms and conditions set forth in this Section 12, the Designated Representative is hereby authorized to approve the final interest rates, aggregate principal amount, principal amount of each maturity, maturity dates, and redemption terms for the Bonds in the manner provided hereafter so long as:

- (1) the aggregate principal amount of the Bonds does not exceed \$30,000,000;
- (2) the final maturity of the Bonds is no later than December 1, 2030;
- (3) the Bonds are sold (in the aggregate) at a price not less than 97% and not greater than 130%;
- (4) the Bonds are sold for a price that results in a minimum aggregate net present value debt service savings over the Refunded Bonds (calculated by deducting scheduled federal subsidy payments with respect to the Refunded Bonds from annual debt service and assuming no future sequestration of such payments) of at least 4.00%;
- (5) the true interest cost for the Bonds (in the aggregate) does not exceed 3.50%; and
- (6) the Bonds conform to all other terms of this resolution.

(b) *Bond Sale; Purchase Contract.* Subject to the terms and conditions set forth in this Section 12, the Designated Representative is hereby authorized to execute the final form of a Purchase Contract with respect to the Bonds upon approval of the final interest rates, maturity dates, aggregate principal amount, principal maturities, terms of redemption and redemption rights for the Bonds set forth therein, which approval shall be evidenced by the Designated Representative execution of the Purchase Contract. Following the execution of a Purchase Contract, the Designated Representative shall provide a report to the Board at the next regularly scheduled meeting describing the final terms of the Bonds approved pursuant to the authority delegated in this section.

The authority granted to the Designated Representative by this Section 12 shall expire one year (365 days) after the effective date of this resolution. If a Purchase Contract for the Bonds has not been executed on or prior to one year (365 days) after the effective date of this resolution, the authorization for the issuance of those Bonds shall be rescinded, and any remaining portion of the Bonds authorized under this resolution may not be issued nor their sale approved unless such Bonds are re-authorized by resolution of the Board. The resolution re-authorizing the issuance and sale of such Bonds may be in the form of a new resolution repealing this resolution in whole or in part (only with respect to the Bonds not issued) or may be in the form of an amendatory resolution approving a purchase contract or establishing terms and conditions for the authority delegated under this Section 12.

(c) *Delivery of Bonds; Documentation.* Upon the passage and approval of this resolution, the proper officials of the District, including but not limited to the Designated

Representative, are authorized and directed to undertake all actions necessary for the prompt execution and delivery of the Bonds to the Underwriter and further to execute all closing certificates and documents required to effect the closing and delivery of the Bonds in accordance with the terms of the Purchase Contract. Such documents may include, but are not limited to, documents related to a municipal bond insurance policy delivered by an insurer to insure the payment when due of the principal of and interest on all or a portion of the Bonds as provided therein, if such insurance is determined by the Designated Representative to be in the best interest of the District.

Section 13. Preliminary and Final Official Statements.

The Designated Representative is hereby authorized to deem final a preliminary Official Statement relating to the Bonds for the purposes of the Rule. The Designated Representative is further authorized to approve for purposes of the Rule, on behalf of the District, a final Official Statement relating to the issuance and sale of the Bonds and the distribution of such Official Statement with such changes, if any, as may be deemed by him or her to be appropriate.

Section 14. Undertaking to Provide Ongoing Disclosure.

The District covenants to execute and deliver at the time of Closing a Continuing Disclosure Certificate. The Designated Representative is hereby authorized to execute and deliver a Continuing Disclosure Certificate upon the issuance, delivery and sale of the Bonds with such terms and provisions as such officer shall deem appropriate and in the best interests of the District.

Section 15. General Authorization and Ratification.

The President and Secretary of the Board, the Designated Representative and other appropriate officers of the District are authorized to take any actions and to execute documents as in their judgment 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 are hereby ratified.

Section 16. 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 Bonds.

Section 17. Effective Date.

This resolution shall become effective immediately upon its adoption.

ADOPTED by the Board of Park Commissioners of the Metropolitan Park District of Tacoma, Pierce County, Washington, at a regular meeting thereof held this 13th day of May, 2019.

METROPOLITAN PARK DISTRICT OF
TACOMA, PIERCE COUNTY,
WASHINGTON

President, Board of Park Commissioners

ATTEST:

Secretary

Clerk

**EXHIBIT A
BOND FORM**

UNITED STATES OF AMERICA

NO. _____

\$ _____

STATE OF WASHINGTON

METROPOLITAN PARK DISTRICT OF TACOMA,
PIERCE COUNTY

UNLIMITED TAX GENERAL OBLIGATION REFUNDING BOND, 20__

INTEREST RATE: % MATURITY DATE: CUSIP NO.:

REGISTERED OWNER: CEDE & Co.

PRINCIPAL AMOUNT:

Metropolitan Park District of Tacoma, 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 the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from _____, 20__, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate set forth above, payable on _____, 20__, and semiannually thereafter on the first days of each succeeding _____ and _____. Both principal of and interest on this bond are payable in lawful money of the United States of America. For so long as the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of The Depository Trust Company ("DTC") referred to in the Blanket Issuer Letter of Representations (the "Letter of Representations") from the District to DTC. The fiscal agent of the State of Washington is acting as the registrar, authenticating agent and paying agent for the bond of this issue (the "Bond Registrar").

This bond is one of an authorized issue of bonds of like date, and tenor, except as to number, amount, rate of interest, redemption provisions and date of maturity, in the aggregate principal amount of \$_____, and is issued pursuant to Resolution No. _____ (the "Bond Resolution") adopted by the Board of Park Commissioners of the District (the "Board") on April 22, 2019, to provide funds to refund certain outstanding general obligation bonds of the District and to pay costs of issuance for the bonds. Capitalized terms used in this bond and not otherwise defined shall have the meanings given them in the Bond Resolution.

This bond is subject to redemption prior to its stated date of maturity as provided in the Bond Resolution and the Purchase Contract.

The District has not designated the bonds of this issue as "qualified tax-exempt obligations" under Section 265(b) of the Internal Revenue Code of 1986, as amended.

The District hereby irrevocably covenants that, unless the principal of and interest on this bond are paid from other sources, it will make annual levies of taxes without limitation as to rate or amount upon all of the property in the District subject to taxation in amounts sufficient to pay the principal of and interest on this bond as the same shall become due. The full faith, credit and resources of the District are hereby irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest. The pledge of tax levies may be discharged prior to maturity of this bond and the bonds of this issue by making provision for the payment thereof on the terms and conditions set forth in the Bond Resolution.

Owners of this bond do not have a security interest in particular revenues or assets of the District. This bond is not a debt or indebtedness of the State of Washington or any political subdivision thereof other than the District.

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.

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 and the bonds of this issue does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the District may incur.

IN WITNESS WHEREOF, the Metropolitan Park District of Tacoma, Pierce County, Washington, has caused this bond to be executed by the manual or facsimile signatures of the President and Secretary of its Board of Park Commissioners and the seal of the District to be impressed or imprinted hereon as of this ___ day of _____, 2019.

METROPOLITAN PARK DISTRICT OF
TACOMA, PIERCE COUNTY,
WASHINGTON

By _____ /s/ manual or facsimile
President, Board of Park Commissioners

ATTEST:

/s/ manual or facsimile
Secretary, Board of Park
Commissioners

DATE OF AUTHENTICATION: _____

CERTIFICATE OF AUTHENTICATION

This is one of the Unlimited Tax General Obligation Refunding Bonds, 20__ of the District,
dated _____, 20__, as described in the Bond Resolution.

WASHINGTON STATE FISCAL AGENT, as
Registrar

By _____
Authorized Signer

CERTIFICATE

I, the undersigned, Secretary of the Board of Park Commissioners of the Metropolitan Park District of Tacoma, Pierce County, Washington (the "District"), and keeper of the records of the Board of Park Commissioners (the "Board"), DO HEREBY CERTIFY:

1. The attached copy of Resolution No. _____ (the "Resolution") is a full, true and correct copy of a resolution duly passed at a regular meeting of the Board on May 13, 2019 as that resolution appears in the minute book of the District; and the Resolution will be in full force and effect immediately after its passage and publication as provided by law;

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 passage of the Resolution; and that all other requirements and proceedings incident to the proper passage of the Resolution have been fully fulfilled, carried out and otherwise observed; and

3. That the Resolution has not been amended, supplemented or rescinded since its passage and is in full force and effect and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of May, 2019.

Secretary, Board of Park Commissioners