



Gig Harbor Fire & Medic One

PIERCE COUNTY FIRE PROTECTION DISTRICT NO. 5
WASHINGTON
(GIG HARBOR FIRE & MEDIC ONE)

RESOLUTION NO. 2022-11

A RESOLUTION of the Board of Fire Commissioners of Pierce County Fire Protection District No. 5, relating to contracting indebtedness; providing for the sale, issuance and delivery of not to exceed \$50,000,000 aggregate principal amount of unlimited tax general obligation bonds, as authorized by the qualified voters of the District at a special election held on August 2, 2022 pursuant to Resolution No. 2022-03; fixing or setting parameters with respect to certain terms and covenants of the bonds; appointing the District's designated representative to approve the final terms of the sale of the bonds; and providing for related matters.

Adopted October 11, 2022

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BE IT RESOLVED by the Board of Fire Commissioners of Pierce County Fire Protection District No. 5, as follows:

Section 1. Definitions. As used in this resolution, the following capitalized terms have the following meanings:

"Assistant Chief" means the Assistant Chief of Finance and Administration of the District or such other officer of the District who succeeds to substantially all of the responsibilities of that office.

"Authorized Denomination" means, unless otherwise specified in the Bond Purchase Agreement, \$5,000 or any integral multiple of \$5,000 within a maturity of a Series.

"Beneficial Owner" means, with respect to a Bond, the owner of any beneficial interest in that Bond.

"Board of Fire Commissioners" or *"Board"* means the legislative authority of the District, as duly and regularly constituted from time to time.

"Bond" means each bond issued pursuant to and for the purposes provided in this resolution.

"Bond Authorization" means the authorization to issue no more than \$80,000,000 principal amount of unlimited tax general obligation bonds for the purpose of paying or reimbursing costs of carrying out and accomplishing the Projects, pursuant to the Bond Election Resolution and the special election held within the District on August 2, 2022.

"Bond Counsel" means the firm of Foster Garvey P.C., its successor, or any other attorney or firm of attorneys selected by the District with a nationally recognized standing as bond counsel in the field of municipal finance.

"Bond Election Resolution" means Resolution No. 2022-03, adopted by the Board on April 12, 2022, authorizing a proposition to be submitted to the qualified voters of the District for their approval or rejection at a special election held therein on August 2, 2022, with respect to the Bond Authorization.

“*Bond Fund*” means the District’s general obligation bond fund maintained in the office of the Treasurer pursuant to RCW 52.16.020.

“*Bond Purchase Agreement*” means an offer to purchase a Series of Bonds, setting forth the Final Terms and certain other terms and conditions of the sale, issuance and delivery of those Bonds, which offer is authorized to be accepted by the Designated Representative on behalf of the District, if consistent with this resolution. In the case of a competitive sale, the official notice of sale, the Purchaser’s bid and the award by the District together constitute the Bond Purchase Agreement for purposes of this resolution.

“*Bond Register*” means the books or records maintained by the Bond Registrar for the purpose of identifying ownership of each Bond.

“*Bond Registrar*” means the Fiscal Agent, or any successor or other bond registrar selected by the Treasurer.

“*Chair*” means the Chair of the Board (including the officer or other member of the Board designated to serve as the Chair in case of the Chair’s absence or disability), or any presiding officer or titular head of the Board, or any successor to the functions of the Chair.

“*Code*” means the United States Internal Revenue Code of 1986, as amended, and applicable rules and regulations promulgated thereunder.

“*Designated Representative*” means each of the officers or employees of the District appointed in Section 4 to serve as the District’s designated representative in accordance with RCW 39.46.040(2).

“*District*” means Pierce County Fire Protection District No. 5, Washington (Gig Harbor Fire & Medic One).

“*DTC*” means The Depository Trust Company, New York, New York, or its nominee.

“*Final Terms*” means the terms and conditions for the sale of a Series of Bonds including the amount, date or dates, denominations, interest rate or rates (or mechanism for determining interest rate or rates), payment dates, final maturity, redemption rights, price and other terms or covenants.

“*Finance Director*” means the Finance Director of the District or such other officer of the District who succeeds to substantially all of the responsibilities of that office.

“*Fire Chief*” means the Fire Chief of the District or such other officer of the District who succeeds to substantially all of the responsibilities of that office.

“*Fiscal Agent*” means the fiscal agent of the State, as the same may be designated by the State from time to time.

“*Government Obligations*” means direct, noncallable obligations of, or obligations the payment of principal of and interest on which are unconditionally guaranteed by, the United States of America.

“*Issue Date*” means, with respect to a Bond, the date of initial issuance and delivery of that Bond to the Purchaser in exchange for the purchase price of that Bond.

“*Letter of Representations*” means the Blanket Issuer Letter of Representations between the District and DTC, substantially in the form on file with the Secretary, as it may be amended from time to time, and any successor or substitute letter relating to the operational procedures of the Securities Depository.

“*MSRB*” means the Municipal Securities Rulemaking Board.

“*Net Premium*” means, with respect to any Series, that portion of original issue premium, if any, that is in excess of the sum of (1) original issue discount, if any, and (2) the underwriter’s discount, if any.

“*Official Statement*” means an offering document, disclosure document, private placement memorandum or substantially similar disclosure document provided to purchasers and potential purchasers in connection with the initial offering of a Series of Bonds in conformance with Rule 15c2-12 or other applicable regulations of the SEC.

“*Owner*” means, without distinction, the Registered Owner and the Beneficial Owner.

“*Projects*” has the meaning ascribed to such term in the Bond Election Resolution. Without limiting the foregoing, the term “Projects” includes: (1) constructing and equipping a new training facility with live fire training capabilities; (2) constructing and equipping a new fire station to replace the existing Station 51 (Gig Harbor); (3) renovating (which may include new construction) and equipping Stations 53 (Fox Island), 57 (Crescent Valley), 58 (Swede Hill) and 59 (Artondale); (4) making other capital improvements and acquisitions, including facilities, land and firefighting and emergency medical services equipment and apparatus, for emergency services purposes and logistics; (5) acquiring, constructing and installing all necessary furniture, equipment, apparatus, accessories, fixtures and appurtenances in or for the foregoing; (6) paying costs related to the sale, issuance and delivery of the Bonds; and (7) paying incidental costs incurred in connection with carrying out and accomplishing the foregoing under RCW 52.16.080 and RCW 39.46.070. The term “land” includes all real property and improvements and other structures thereon and all interests therein.

“*Project Fund*” means the fund or account of the District authorized in Section 13 to be created and established or designated by the Treasurer for the purpose of paying or reimbursing costs of carrying out and accomplishing the Projects.

“*Purchaser*” means the corporation, firm, association, partnership, trust, bank, financial institution or other legal entity or group of entities selected by the Designated Representative to serve as purchaser in a private placement, underwriter or placement agent in a negotiated sale or the successful bidder so awarded in a competitive sale of any Series of Bonds.

“*Rating Agency*” means any nationally recognized rating agency then maintaining a rating on the Bonds at the request of the District.

“*Record Date*” means, unless otherwise specified in the Bond Purchase Agreement, the Bond Registrar’s close of business on the 15th day of the month preceding an interest payment date. With respect to redemption of a Bond prior to its maturity, the Record Date shall mean the Bond Registrar’s close of business on the date on which the Bond Registrar sends the notice of redemption in accordance with Section 8.

“*Registered Owner*” means, with respect to a Bond, the person in whose name that Bond is registered on the Bond Register. For so long as the District utilizes the book-entry only system for the Bonds under the Letter of Representations, Registered Owner shall mean the Securities Depository.

“*Rule 15c2-12*” means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended.

“*SEC*” means the United States Securities and Exchange Commission.

“*Secretary*” means the Secretary of the District, or other officer of the District who is the custodian of the records and proceedings of the Board, or any successor to the functions of the Secretary.

“*Securities Depository*” means DTC, any successor thereto, any substitute securities depository selected by the District that is qualified under applicable laws and regulations to provide the services proposed to be provided by it, or the nominee of any of the foregoing.

“*Series of Bonds*” or “*Series*” means a series of Bonds issued pursuant to this resolution.

“*State*” means the State of Washington.

“*System of Registration*” means the system of registration for the Bonds set forth in Resolution No. 85-1 of the District.

“*Term Bond*” means each Bond designated as a Term Bond and subject to mandatory redemption in the years and amounts set forth in the Bond Purchase Agreement.

“*Treasurer*” means the Finance Director of Pierce County, Washington, as *ex officio* treasurer of the District, or any successor to the functions of the Treasurer.

“*Undertaking*” means the undertaking to provide continuing disclosure entered into pursuant to Section 15.

“*UTGO Debt Service Account*” means the fund or account authorized under Section 13 to be created and established or designated by the Treasurer in the Bond Fund for the purpose of paying principal of and interest on the Bond.

Section 2. Findings and Determinations. The Board takes note of the following facts and makes the following findings and determinations:

(a) Pursuant to the Bond Election Resolution (which is incorporated by this reference), the Bond Authorization was approved by the requisite number of voters.

(b) Pursuant to the Bond Authorization, the District is authorized to issue the Bonds for the purpose of paying or reimbursing costs of the Projects, which are capital purposes only and do not include the replacement of equipment. It is in the best interests of the District and its taxpayers to issue the Bonds to carry out and accomplish the Projects.

(c) The Board, pursuant to RCW 39.46.040(2), desires to delegate authority to the Fire Chief, the Assistant Chief and the Finance Director, for a limited time, to accept the Final Terms of, and execute, one or more Bond Purchase Agreements, subject to the parameters for such Final Terms set forth in this resolution, and to take such other actions as are specifically authorized in this resolution.

Section 3. Authorization of Bonds. The District is authorized to borrow money on the credit of the District and issue negotiable unlimited tax general obligation bonds evidencing indebtedness in one or more Series to provide funds necessary to pay or reimburse costs of the Projects.

Section 4. Description of Bonds; Appointment of Designated Representative. The Fire Chief, the Assistant Chief and the Finance Director are each appointed as the Designated Representative of the District, and each of them acting alone is authorized and directed to conduct the sale of the Bonds in the manner and upon the terms determined most advantageous to the District, and to approve the Final Terms of each Series of Bonds, with such additional terms and covenants as the Designated Representative determines advisable, within the parameters set forth in Exhibit A, which is attached to this resolution and incorporated by this reference.

The average reasonably expected useful life of the Projects exceed the weighted average maturity of the Bonds. The costs of particular categories of the Projects having shorter reasonably expected useful lives are allocated to Bonds having correspondingly earlier maturity dates.

Section 5. Bond Registrar; Registration and Transfer of Bonds.

(a) *Registration of Bonds.* Each Bond shall be issued only in registered form as to both principal and interest and the ownership of each Bond shall be recorded on the Bond Register.

(b) *Bond Registrar; Duties.* Pursuant to RCW 39.46.030(3)(b), the Treasurer has appointed the Fiscal Agent as initial Bond Registrar. The Bond Registrar shall keep, or cause to be kept, sufficient books for the registration and transfer of the Bonds, which shall be open to inspection by the District at all times. The Bond Registrar is authorized, on behalf of the District, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of the Bonds and this resolution, to serve as the District's paying agent for the Bonds and to carry out all of the Bond Registrar's powers and duties under this resolution and the System of Registration. The Bond Registrar shall be responsible for its representations contained in the Bond Registrar's Certificate of Authentication on each Bond. The Bond Registrar may become an Owner 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 members of, or in any other capacity with respect to, any committee formed to protect the rights of Owners.

(c) *Bond Register; Transfer and Exchange.* The Bond Register shall contain the name and mailing address of each Registered Owner and the principal amount and number of each Bond held by each Registered Owner. A Bond surrendered to the Bond Registrar may be exchanged for a Bond or Bonds in any Authorized Denomination of an equal aggregate principal amount and of the same Series, interest rate and maturity. A Bond may be transferred only if endorsed in the manner provided thereon and surrendered to the Bond Registrar. Any exchange or transfer shall be without cost to the Owner or transferee. The Bond Registrar shall not be obligated to exchange any Bond or transfer registered ownership during the period between the applicable Record Date and the next upcoming interest payment or redemption date.

(d) *Securities Depository; Book-Entry Only Form.* If a Bond is to be issued in book-entry form, DTC shall be appointed as initial Securities Depository and each such Bond initially shall be registered in the name of Cede & Co., as the nominee of DTC. Each Bond registered in the name of the Securities Depository shall be held fully immobilized in book-entry only form by the Securities Depository in accordance with the provisions of the Letter of Representations. Registered ownership of any Bond registered in the name of the Securities Depository may not be transferred except: (i) to any successor Securities Depository; (ii) to any substitute Securities Depository appointed by the District; or (iii) to any person if the Bond is no longer to be held in book-entry only form. Upon the resignation of the Securities Depository, or upon a termination of the services of the Securities Depository by the District, the District may appoint a substitute Securities Depository. If (i) the Securities Depository resigns and the District does not appoint a substitute Securities Depository, or (ii) the District terminates the services of the Securities Depository, the Bonds no longer shall be held in book-entry only form and the registered ownership of each Bond may be transferred to any person as provided in this resolution. Neither the District nor the Bond Registrar shall have any obligation to participants of any Securities Depository or the persons for whom they act as nominees regarding accuracy of any records maintained by the Securities Depository or its participants. Neither the District nor the Bond Registrar shall be responsible for any notice that is permitted or required to be given to a Registered Owner except such notice as is required to be given by the Bond Registrar to the Securities Depository.

(e) *Letter of Representations.* To induce DTC to accept the Bonds as eligible for deposit at DTC, the District approves the Letter of Representations. The Designated Representative is authorized and directed to execute the Letter of Representations, on behalf of the District, and to deliver it to DTC on or before the Issue Date.

Section 6. Form and Execution of Bonds.

(a) *Form of Bonds; Signature.* Each Bond shall be prepared in a form consistent with the provisions of this resolution and State law. Each Bond shall be signed by the Chair and the Secretary, either or both of whose signatures may be manual or in facsimile. If any officer whose manual or facsimile signature appears on a Bond ceases to be an officer of the District authorized to sign bonds before the Bond bearing that officer's manual or facsimile signature is authenticated

by the Bond Registrar, or issued or delivered by the District, that Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be as binding on the District as though that person had continued to be an officer of the District authorized to sign bonds. Any Bond also may be signed on behalf of the District by any person who, on the actual date of signing of the Bond, is an officer of the District authorized to sign bonds, although he or she did not hold the required office on its Issue Date.

(b) *Authentication.* Only a Bond bearing a Certificate of Authentication in substantially the following form, manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this resolution: "Certificate of Authentication. This Bond is one of the fully registered Pierce County Fire Protection District No. 5, Washington (Gig Harbor Fire & Medic One), Unlimited Tax General Obligation Bonds, [Series], described in the Bond Resolution." The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

Section 7. Payment of Bonds. Principal of and premium, if any, and interest on each Bond shall be payable in lawful money of the United States of America. Principal of and premium, if any, and interest on each Bond registered in the name of the Securities Depository are payable in the manner set forth in the Letter of Representations. Unless otherwise specified in the Bond Purchase Agreement, principal of and premium, if any, and interest on each Bond not registered in the name of the Securities Depository are payable by electronic transfer on the interest payment date, or by check or draft of the Registrar mailed on the payment date to the Registered Owner at the address appearing on the Bond Register on the Record Date. The District is not required to make electronic transfers except pursuant to a request by a Registered Owner in writing received on or prior to the Record Date and at the sole expense of the Registered Owner. The final installment of principal of each Bond not registered in the name of the Securities Depository is payable upon presentation and surrender of the Bond by the Registered Owner to the Bond Registrar. The Bonds are not subject to acceleration under any circumstances.

Section 8. Redemption Provisions and Purchase of Bonds.

(a) *Optional Redemption.* The Bonds may be subject to redemption at the option of the District on terms acceptable to the Designated Representative, as set forth in the Bond Purchase Agreement, consistent with the parameters set forth in Exhibit A.

(b) *Mandatory Redemption.* Each Bond that is designated as a Term Bond in the Bond Purchase Agreement, consistent with the parameters set forth in Exhibit A and except as set forth below, shall be called for redemption at a price equal to the stated principal amount to be redeemed, plus accrued interest, on the dates and in the amounts as set forth in the Bond Purchase Agreement. If a Term Bond is redeemed under the optional redemption provisions, defeased or purchased by the District and surrendered for cancellation, the principal amount of the Term Bond so redeemed, defeased or purchased (irrespective of its actual redemption or purchase price) shall be credited against one or more scheduled mandatory redemption installments for that Term Bond. The District shall determine the manner in which the credit is to be allocated and shall notify the Bond Registrar in writing of its allocation prior to the earliest mandatory redemption date for that Term Bond for which notice of redemption has not already been given.

(c) *Selection of Bonds for Redemption; Partial Redemption.* If fewer than all of the outstanding Bonds are to be redeemed at the option of the District, the District shall select the Series and maturities to be redeemed. If fewer than all of the outstanding Bonds of a maturity of a Series are to be redeemed, the Securities Depository shall select Bonds registered in the name of the Securities Depository to be redeemed in accordance with the Letter of Representations, and the Bond Registrar shall select all other Bonds to be redeemed randomly in such manner as the Bond Registrar shall determine. All or a portion of the principal amount of any Bond that is to be redeemed may be redeemed in any Authorized Denomination. If less than all of the outstanding principal amount of any Bond is redeemed, upon surrender of that Bond to the Bond Registrar, there shall be issued to the Registered Owner, without charge, a new Bond (or Bonds, at the option of the Registered Owner) of the same Series, maturity and interest rate in any Authorized Denomination in the aggregate principal amount to remain outstanding.

(d) *Notice of Redemption.* Notice of redemption of each Bond registered in the name of the Securities Depository shall be given in accordance with the Letter of Representations. Notice of redemption of each other Bond, unless waived by the Registered Owner, shall be given by the Bond Registrar not less than 20 nor more than 60 days prior to the date fixed for redemption by first-class mail, postage prepaid, to the Registered Owner at the address appearing on the Bond Register on the Record Date. The requirements of the preceding sentence shall be satisfied when notice has been mailed as so provided, whether or not it is actually received by an Owner. In addition, the redemption notice shall be mailed or sent electronically within the same period to the MSRB (if required under the Undertaking), to each Rating Agency, and to such other persons and with such additional information as the Designated Representative shall determine, but these additional mailings shall not be a condition precedent to the redemption of any Bond.

(e) *Rescission of Optional Redemption Notice.* In the case of an optional redemption, the notice of redemption may state that the District retains the right to rescind the redemption notice and the redemption by giving a notice of rescission to the affected Registered Owners at any time on or prior to the date fixed for redemption. Any notice of optional redemption that is so rescinded shall be of no effect, and each Bond for which a notice of redemption has been rescinded shall remain outstanding.

(f) *Effect of Redemption.* Interest on each Bond called for redemption shall cease to accrue on the date fixed for redemption, unless either the notice of optional redemption is rescinded as set forth above, or money sufficient to effect such redemption is not on deposit in the UTGO Debt Service Account or in a trust account established to refund or defease the Bond.

(g) *Purchase of Bonds.* The District reserves the right to purchase any or all of the Bonds offered to the District at any time at any price acceptable to the District plus accrued interest to the date of purchase.

Section 9. Failure To Pay Bonds. If the principal of any Bond is not paid when the Bond is properly presented at its maturity or date fixed for redemption, the District shall, unless otherwise provided in the Bond Purchase Agreement, be obligated to pay interest on that Bond at the same rate provided in the Bond from and after its maturity or date fixed for redemption until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the UTGO Debt Service Account, or in a trust account established to refund

or defease the Bond, and the Bond has been called for payment by giving notice of that call to the Registered Owner.

Section 10. Pledge of Taxes. The Bonds constitute a general indebtedness of the District and are payable from tax revenues of the District and such other money as is lawfully available and pledged or provided by the District for the payment of principal of and interest on the Bonds. For as long as any of the Bonds are outstanding, the District irrevocably pledges that it shall, in the manner provided by law without limitation as to rate or amount, include in its annual property tax levy amounts sufficient, together with other money that is lawfully available, to pay principal of and interest on the Bonds as the same become due. The full faith, credit and resources of the District are pledged irrevocably for the prompt payment of the principal of and interest on the Bonds and such pledge shall be enforceable in mandamus against the District.

Section 11. Tax Covenants; Designation of Bonds as “Qualified Tax Exempt Obligations.”

(a) *Preservation of Tax Exemption for Interest on Bonds.* The District covenants that it will take all actions necessary to prevent interest on the Bonds from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bonds or other funds of the District treated as proceeds of the Bonds that will cause interest on the Bonds to be included in gross income for federal income tax purposes. The District also covenants that it will, to the extent the arbitrage rebate requirements of Section 148 of the Code are applicable to the Bonds, take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Bonds.

(b) *Post-Issuance Compliance.* The Designated Representative is authorized and directed to adopt, amend and implement, on behalf of the District, written procedures to facilitate compliance by the District with the covenants in this Section 11 and the applicable requirements of the Code that must be satisfied after the Issue Date to prevent interest on the Bonds from being included in gross income for federal income tax purposes.

(c) *Designation of Bonds as “Qualified Tax-Exempt Obligations.”* A Series of Bonds may be designated as “qualified tax-exempt obligations” for the purposes of Section 265(b)(3) of the Code, if the following conditions are met:

- (1) the Series does not constitute “private activity bonds” within the meaning of Section 141 of the Code;
- (2) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) that the District and any entity subordinate to the District (including any entity that the District controls, that derives its authority to issue tax-exempt obligations from the District, or that issues tax-exempt obligations on behalf of the District) will issue during the calendar year in which the Series is issued will not exceed the maximum amount then permitted by Section 265(b)(3) of the Code, currently \$10,000,000; and

- (3) the amount of tax-exempt obligations, including the Series, designated by the District as “qualified tax-exempt obligations” for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Series is issued does not exceed the maximum amount then permitted by Section 265(b)(3) of the Code, currently \$10,000,000.

Section 12. Refunding or Defeasance of Bonds. The District may issue refunding bonds pursuant to State law or use money available from any other lawful source to carry out a refunding or defeasance plan, which may include (a) paying when due the principal of and interest on any or all of the Bonds (the “defeased Bonds”); (b) redeeming the defeased Bonds prior to their maturity; and (c) paying the costs of the refunding or defeasance. If the District sets aside in a special trust fund or escrow account irrevocably pledged to that redemption or defeasance (the “trust account”), money and/or Government Obligations maturing at a time or times and bearing interest in amounts sufficient to redeem, refund or defease the defeased Bonds in accordance with their terms, then all right and interest of the Owners of the defeased Bonds in the covenants of this resolution and in the funds and accounts obligated to the payment of the defeased Bonds shall cease and become void. Thereafter, the Owners of defeased Bonds shall have the right to receive payment of the principal of and interest on the defeased Bonds solely from the trust account and the defeased Bonds shall be deemed no longer outstanding. In that event, the District may apply money remaining in any fund or account (other than the trust account) established for the payment or redemption of the defeased Bonds to any lawful purpose.

Unless otherwise specified by the District in a refunding or defeasance plan, notice of refunding or defeasance shall be given, and selection of Bonds for any partial refunding or defeasance shall be conducted, in the manner prescribed in this resolution for the redemption of Bonds.

Section 13. Funds and Accounts; Deposit of Proceeds.

(a) *UTGO Debt Service Account.* The Treasurer is authorized to create and establish or designate the UTGO Debt Service Account as a special fund or account in the Bond Fund for the purpose of paying principal of and premium, if any, and interest on the Bonds.

- (1) From the proceeds received from the sale of each Series, the Treasurer is authorized and directed to deposit in the UTGO Debt Service Account that amount, if any, of Net Premium that the Designated Representative determines pursuant to Exhibit A of this resolution is to be deposited in the UTGO Debt Service Account and used to pay interest on the Bonds on their earliest interest payment date or dates.
- (2) The principal of and premium, if any, and interest on the Bonds of each Series when due shall be paid from the UTGO Debt Service Account. All taxes collected for and allocated to the payment of the principal of and premium, if any, and interest on the Bonds shall be deposited in the UTGO Debt Service Account. Until needed for that purpose, the District may invest money in the UTGO Debt Service Account temporarily in any legal

investment, and the investment earnings shall be retained in the UTGO Debt Service Account and be spent for the purposes of that fund or account.

(b) *Project Fund.* The Treasurer is authorized to create and establish or designate the Project Fund as a fund or account of the District for the purpose of paying or reimbursing costs of the Project.

- (1) The Treasurer is authorized and directed to deposit in the Project Fund:
 - (i) Net Premium that the Designated Representative determines, pursuant to Exhibit A of this resolution, is to be used to pay costs of selling, issuing and delivering the Bonds; (ii) Net Premium that the Designated Representative determines, pursuant to Exhibit A of this resolution, is to be used to pay costs of the Projects other than the costs of selling, issuing and delivering the Bonds; and (iii) the principal proceeds received from the sale of each Series.
- (2) Principal proceeds and Net Premium, if any, deposited into the Project Fund from the sale of each Series shall be used only for capital purposes that carry out and accomplish the Projects, as permitted by law, which shall not include the replacement of equipment. Until needed to pay costs of carrying out and accomplishing the Projects, the District may invest proceeds of each Series temporarily in any legal investment, and the investment earnings shall be retained in the Project Fund and be spent to pay or reimburse costs of carrying out and accomplishing the Projects, except that earnings subject to a federal tax or rebate requirement may be withdrawn from the Project Fund and used for those tax or rebate purposes.
- (3) The amount of the Bond Authorization shall be reduced by the sum of:
 - (i) the stated principal amount of each Series issued under this resolution; and (ii) the amount, if any, of Net Premium deposited into the Project Fund pursuant to Section 13(b)(1)(ii) of this resolution.

Section 14. Sale and Delivery of the Bonds.

(a) *Manner of Sale of Bonds.* The Designated Representative is authorized to sell each Series of Bonds by negotiated sale or private placement or by competitive sale in accordance with a notice of sale consistent with this resolution, based on the assessment of the Designated Representative of market conditions, in consultation with appropriate District officials and staff, Bond Counsel and other advisors. In determining the method of sale of a Series and accepting the Final Terms, the Designated Representative shall take into account those factors that, in the judgment of the Designated Representative, may be expected to result in the lowest true interest cost to the District.

(b) *Procedure for Negotiated Sale or Private Placement.* If the Designated Representative determines that a Series of Bonds is to be sold by negotiated sale or private placement, the Designated Representative shall select one or more Purchasers with which to negotiate such sale. The Bond Purchase Agreement for each Series of Bonds shall set forth the

Final Terms. The Designated Representative is authorized to execute the Bond Purchase Agreement on behalf of the District, so long as the terms provided therein are consistent with the terms of this resolution.

(c) *Procedure for Competitive Sale.* If the Designated Representative determines that a Series of Bonds is to be sold by competitive sale, the Designated Representative shall cause the preparation and distribution of an official notice of bond sale setting forth parameters for the Final Terms and any other bid parameters that the Designated Representative determines appropriate consistent with this resolution. Bids for the purchase of each Series of Bonds shall be received at such time or place and by such means as the Designated Representative directs. On the date and time established for the receipt of bids, the Designated Representative (or the designee of the Designated Representative) shall open the bids and shall cause the bids to be mathematically verified. The Designated Representative is authorized to award, on behalf of the District, the winning bid and accept the winning bidder's offer to purchase that Series of Bonds, with such adjustments to the aggregate principal amount and principal amount per maturity as the Designated Representative determines appropriate, consistent with the terms of this resolution. The Designated Representative may reject any or all bids submitted and may waive any formality or irregularity in any bid or in the bidding process if the Designated Representative determines it to be in the District's best interest to do so. If all bids are rejected, that Series of Bonds may be sold pursuant to negotiated sale, private placement, subsequent competitive sale or in any manner provided by law as the Designated Representative determines is in the best interest of the District, within the parameters set forth in this resolution.

(d) *Preparation, Execution and Delivery of the Bonds.* The Bonds will be prepared at District expense and will be delivered to the Purchaser in accordance with the Bond Purchase Agreement, together with the approving legal opinion of Bond Counsel regarding the Bonds.

(e) *Other Agreements.* The Designated Representative is authorized and directed to execute and deliver agreements with such advisors as the Designated Representative determines to be in the best interest of the District in selling each Series, including engaging financial advisors, Bond Counsel, underwriters, bond registrars, rating agencies, printers and electronic distribution platforms. The Board ratifies and confirms the execution and delivery of any such agreement prior to the effective date of this resolution in furtherance of the purposes described in this resolution and not inconsistent with the terms of this resolution.

Section 15. Official Statement; Continuing Disclosure.

(a) *Preliminary Official Statement Deemed Final.* The Designated Representative shall review and, if acceptable, approve the preliminary Official Statement prepared in connection with each sale of a Series of Bonds to the public. For the sole purpose of the Purchaser's compliance with paragraph (b)(1) of Rule 15c2-12, if applicable, the Designated Representative is authorized to deem that preliminary Official Statement final as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12. The District approves the distribution to potential purchasers of the Bonds of a preliminary Official Statement that has been approved by the Designated Representative and been deemed final, if applicable, in accordance with this subsection.

(b) *Approval of Final Official Statement.* The District approves the preparation of a final Official Statement for each Series of Bonds to be sold to the public in the form of the preliminary Official Statement that has been approved and deemed final in accordance with subsection (a), with such modifications and amendments as the Designated Representative deems necessary or desirable, and further authorizes the Designated Representative to execute and deliver such final Official Statement to the Purchaser if required under Rule 15c2-12. The District authorizes and approves the distribution by the Purchaser of the final Official Statement so executed and delivered to purchasers and potential purchasers of a Series of Bonds.

(c) *Undertaking to Provide Continuing Disclosure.* If necessary to meet the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to the Purchaser acting as a participating underwriter for a Series of Bonds, the Designated Representative is authorized to execute a written undertaking to provide continuing disclosure for the benefit of holders of a Series of Bonds in substantially the form attached as Exhibit B.

(d) *Disclosure Procedure.* The Designated Representative or other appropriate District official is authorized to adopt, amend and implement, on behalf of the District, written procedures to assist the District in its compliance with securities laws and promote best practices regarding disclosure of material information regarding its publicly-offered municipal securities.

Section 16. Supplemental and Amendatory Resolutions. The District may supplement or amend this resolution for any one or more of the following purposes without the consent of any Owners of the Bonds:

(a) To add covenants and agreements that do not materially adversely affect the interests of Owners, or to surrender any right or power reserved to or conferred upon the District.

(b) To cure any ambiguities, or to cure, correct or supplement any defective provision contained in this resolution in a manner that does not materially adversely affect the interest of the Beneficial Owners of the Bonds.

Section 17. General Authorization and Ratification. This resolution may be executed by the Fire Commissioners being present and voting in favor of the resolution, or only the Chair, and attested by the Secretary, in tangible medium, manual, facsimile or electronic form under any security procedure or platform, and notwithstanding any other District resolution, rule, policy or procedure, or in any other manner evidencing its adoption. The Fire Chief, the Assistant Chief, the Secretary, the Treasurer, the Finance Director, other appropriate officers of the District and Bond Counsel are severally authorized to take such actions and to create, accept, execute, send, use and rely upon such documents, records and signatures (including in tangible medium, manual, facsimile or electronic form, under any security procedure or platform, and notwithstanding any other District resolution, rule or policy) as in their judgment may be necessary or desirable to carry out the transactions contemplated in connection with this resolution, and to do everything necessary for the prompt delivery of each Series of Bonds to the Purchaser thereof and for the proper application, use and investment of the proceeds of the Bonds. All actions taken prior to the effective date of this resolution in furtherance of the purposes described in this resolution and not inconsistent with the terms of this resolution are ratified and confirmed in all respects.

Section 18. Severability. The provisions of this resolution are declared to be separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, holds any provision of this resolution to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and void with respect to the particular person or circumstance, and all other provisions of this resolution in all other respects, and the offending provision with respect to all other persons and all other circumstances, shall remain valid and enforceable.

Section 19. Rules of Interpretation. In this resolution, unless the context or use otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein” and any similar terms refer to this resolution as a whole and not to any particular section, paragraph, clause or subdivision of this resolution, and the term “heretofore” means before the date of this resolution;

(b) Words importing the singular number mean and include the plural number and vice versa;

(c) The terms: (i) “includes” and “including” are not limiting; (ii) “or” is not exclusive; and (iii) “person” or “persons” include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) The cover page, the table of contents and any headings preceding the text of the several sections and paragraphs of this resolution, and any marginal notes appended to copies hereof, are solely for convenience of reference and do not constitute a part of this resolution, nor do they affect its meaning, construction or effect; and


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

Section 20. Effective Date of Resolution. This resolution is effective immediately upon its adoption.

[Remainder of page intentionally left blank; signature page follows]


ADOPTED by the Board of Fire Commissioners of Pierce County Fire Protection District No. 5, at a regular open public meeting held this 11th day of October, 2022.

PIERCE COUNTY FIRE PROTECTION
DISTRICT NO. 5



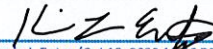
Alex Wilsie (Oct 13, 2022 16:14 PDT)

Chair and Commissioner



Thomas A Sutich (Oct 12, 2022 14:28 PDT)

Commissioner




Kevin L Entze (Oct 12, 2022 1:56 PDT)

Commissioner



Bryce Nelson (Oct 20, 2022 12:43 PDT)

Commissioner



Joe Urviha (Oct 12, 2022 12:03 PDT)

Commissioner

ATTEST:



Dennis Doan
Secretary of the District

EXHIBIT A
DESCRIPTION OF THE BONDS

- (a) Manner of Sale. The Designated Representative is authorized to determine the manner of sale of each Series of Bonds in accordance with Section 14 and the provisions of this resolution.
- (b) Principal Amount. The Bonds may be issued in one or more Series and shall not exceed the aggregate principal amount of \$50,000,000.
- (c) Date or Dates. Each Bond shall be dated its Issue Date, which date may not be later than one year after the effective date of this resolution.
- (d) Denominations, Name, etc. The Bonds shall be issued in Authorized Denominations and shall be numbered separately in the manner and shall bear any name and additional designation as determined necessary or appropriate by the Designated Representative.
- (e) Interest Rate(s). Each Bond shall bear interest at a fixed rate *per annum* (computed on the basis of a 360-day year of twelve 30-day months) from the Issue Date or from the most recent date for which interest has been paid or duly provided for, whichever is later. One or more rates of interest may be fixed for the Bonds. No rate of interest for any Bond may exceed 5.50%, and the true interest cost to the District for each Series of Bonds may not exceed 5.50%.
- (f) Payment Dates. Interest shall be payable semiannually on each June 1 and December 1, commencing no later than one year following the Issue Date. Principal payments shall commence on a date acceptable to the Designated Representative and shall be payable at maturity or in mandatory redemption installments on any interest payment dates acceptable to the Designated Representative.
- (g) Final Maturity. The final maturity date of each Series of Bonds shall be a date within 20 years after the Issue Date of such Series.
- (h) Redemption Rights. The Designated Representative may approve in the Bond Purchase Agreement provisions for the optional and mandatory redemption of Bonds, subject to the following:
- (1) Optional Redemption. Any Bond may be designated as being (A) subject to redemption at the option of the District prior to its maturity date on the dates and at the prices set forth in the Bond Purchase Agreement; or (B) not subject to redemption prior to its maturity date. If a Bond is subject to optional redemption prior to its maturity, it must be subject to such redemption on one or

more dates occurring not more than 10½ years after the Issue Date.

(2) Mandatory Redemption. Any Bond may be designated as a Term Bond, subject to mandatory redemption prior to its maturity on the dates and in the amounts set forth in the Bond Purchase Agreement.

(i) Price. The purchase price for each Series of Bonds may not be less than 90% or more than 140% of the stated principal amount of that Series.

(j) Net Premium. The Designated Representative shall determine the amounts of Net Premium received from the Purchaser, if any, to be deposited into the Project Fund and the UTGO Debt Service Account pursuant to Section 13; provided that, a Purchaser may retain its underwriter's discount and deduct other costs of selling, issuing and delivering any Series from the price paid to the District for such Series and pay such other costs of selling, issuing and delivering such Series directly to the respective financing participants.

(k) Section 265(b)(3) Designation. The Designated Representative shall designate any qualifying Series of Bonds as "qualified-tax exempt obligations" for purposes of Section 265(b)(3) of the Code.

(l) Other Terms and Conditions.

(1) A Series of Bonds may not be issued if it would cause the indebtedness of the District to exceed the District's legal debt capacity on the Issue Date.

(2) The Designated Representative may determine whether it is in the District's best interest to provide for bond insurance or other credit enhancement; and may accept such additional terms, conditions and covenants as he or she may determine are in the best interests of the District, consistent with this resolution.

(3) The Designated Representative is authorized to take such additional action as may be necessary or convenient for the issuance of Bonds pursuant to the terms of this resolution.

[Form of]
UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

**Pierce County Fire Protection District No. 5, Washington
(Gig Harbor Fire & Medic One)
Unlimited Tax General Obligation Bonds, 2022**

Pierce County Fire Protection District No. 5, Washington (Gig Harbor Fire & Medic One) (the “District”), makes the following written Undertaking for the benefit of holders of the above-referenced bonds (the “Bonds”), for the sole purpose of assisting the Purchaser in meeting the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to a participating underwriter for the Bonds. Capitalized terms used but not defined below shall have the meanings given in Resolution No. 2022-11 of the District (the “Bond Resolution”).

(a) Undertaking to Provide Annual Financial Information and Notice of Listed Events. The District undertakes to provide or cause to be provided, either directly or through a designated agent, to the MSRB, in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB:

- (i) Annual financial information and operating data of the type included in the final official statement for the Bonds and described in paragraph (b)(i) (“annual financial information”);
- (ii) Timely notice (not in excess of 10 business days after the occurrence of the event) of the occurrence of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701 – TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) bond calls (other than scheduled mandatory redemptions of Term Bonds), if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the District, as such “Bankruptcy Events” are defined in Rule 15c2-12; (13) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the District or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the

District or obligated person, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the District or obligated person, any of which reflect financial difficulties. The term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12; and

- (iii) Timely notice of a failure by the District to provide the required annual financial information described in paragraph (b)(i) on or before the date specified in paragraph (b)(ii).

(b) Type of Annual Financial Information Undertaken to be Provided. The annual financial information that the District undertakes to provide in paragraph (a):

- (i) Shall consist of (1) annual financial statements prepared (except as noted in the financial statements) in accordance with applicable generally accepted accounting principles applicable to local governmental units of the State such as the District, as such principles may be changed from time to time; (2) principal amount of general obligation bonds of the District outstanding at the end of the applicable fiscal year; (3) assessed value of property within the District subject to *ad valorem* taxation for that fiscal year; and (4) *ad valorem* property tax levy amounts and rates for that fiscal year;
- (ii) Shall be provided not later than the last day of the ninth month after the end of each fiscal year of the District (currently, a fiscal year ending December 31), as such fiscal year may be changed as required or permitted by State law, commencing with the District’s fiscal year ending December 31, 20__; and
- (iii) May be provided in a single or multiple documents, and may be incorporated by specific reference to documents available to the public on the Internet website of the MSRB or filed with the SEC.

If not submitted as part of the annual financial information described in paragraph (b)(i) above, the District will provide or cause to be provided to the MSRB audited financial statements, when and if available.

(c) Amendment of Undertaking. This Undertaking is subject to amendment after the primary offering of the Bonds without the consent of any holder of any Bond, or of any broker, dealer, municipal securities dealer, participating underwriter, Rating Agency or the MSRB, under the circumstances and in the manner permitted by Rule 15c2-12. The District will give notice to the MSRB of the substance (or provide a copy) of any amendment to the Undertaking and a brief statement of the reasons for the amendment. If the amendment changes the type of annual financial information to be provided, the annual financial information containing the amended financial

information will include a narrative explanation of the effect of that change on the type of information to be provided.

(d) Beneficiaries. This Undertaking shall inure to the benefit of the District and the holder of each Bond, and shall not inure to the benefit of or create any rights in any other person.

(e) Termination of Undertaking. The District's obligations under this Undertaking shall terminate upon the legal defeasance or redemption of all of the Bonds. In addition, the District's obligations under this Undertaking shall terminate if the provisions of Rule 15c2-12 that require the District to comply with this Undertaking become legally inapplicable in respect of the Bonds for any reason, as confirmed by an opinion of Bond Counsel delivered to the District, and the District provides timely notice of such termination to the MSRB.

(f) Remedy for Failure to Comply with Undertaking. As soon as practicable after the District learns of any failure to comply with this Undertaking, the District will proceed with due diligence to cause such noncompliance to be corrected. No failure by the District or other obligated person to comply with this Undertaking shall constitute a default in respect of the Bonds. The sole remedy of any holder of a Bond shall be to take action to compel the District or other obligated person to comply with this Undertaking, including seeking an order of specific performance from an appropriate court.

(g) Designation of Official Responsible to Administer Undertaking. The Finance Director or designee is the person designated, in accordance with the Bond Resolution, to carry out the Undertaking in accordance with Rule 15c2-12, including, without limitation, the following actions:

- (i) Preparing and filing the annual financial information undertaken to be provided in paragraph (a)(i);
- (ii) Determining whether any failure to provide the annual financial information undertaken to be provided in paragraph (a)(i) has occurred and providing any notice undertaken to be provided in paragraph (a)(iii);
- (iii) Determining whether any event specified in items (1)-(16) of paragraph (a)(ii) has occurred, assessing its materiality, where necessary, with respect to the Bonds, and preparing and disseminating any notice undertaken to be provided in paragraph (a)(ii) of its occurrence;
- (iv) Determining whether any person other than the District is an "obligated person" within the meaning of Rule 15c2-12 with respect to the Bonds, and obtaining from such person an undertaking to provide any annual financial information and notice of listed events for that person required under Rule 15c2-12;
- (v) Selecting, engaging and compensating designated agents and consultants, including but not limited to financial advisors and legal counsel, to assist and advise the District in carrying out this Undertaking; and
- (vi) Effecting any necessary amendment of this Undertaking.

CERTIFICATION

I, Dennis Doan, Secretary of Pierce County Fire Protection District No. 5 (the "District"), certify as follows:

1. The attached copy of Resolution No. 2022-11 (the "Resolution") is a full, true and correct copy of the Resolution duly adopted at a regular meeting of the Board of Fire Commissioners of the District (the "Board") held on October 11, 2022 (the "Meeting"), as the Resolution appears on the minute book of the District, and the Resolution is now in full force and effect.

2. The Meeting was duly convened, held and included an opportunity for public comment, in all respects in accordance with law, a quorum was present throughout the Meeting, and a sufficient number of Fire Commissioners of the Board so present voted in the proper manner for the adoption of the Resolution.

Dated: October 11, 2022.

PIERCE COUNTY FIRE PROTECTION
DISTRICT NO. 5



Dennis Doan
Secretary of the District