

**SPECIAL MEETING
NOTICE AND AGENDA**

SUMNER LIBRARY CAPITAL FACILITY AREA BOARD

**October 10, 2024
10:00 AM**

**County-City Building
930 Tacoma Ave S
Tahoma Conference Room, 10th Floor
Tacoma WA 98402-2176**

Remote Participation is provided by calling in to (253) 215-8782 using Webinar ID: 957 2907 4388, or using the zoom link for this meeting: <https://piercecountywa.zoom.us/j/95729074388>.

1. Call to Order
2. Roll Call
3. Approval of the September 11, 2024, Minutes [**ACTION**]
4. Adoption of Resolution No. 2024-02 providing for the issuance and sale of the Sumner Library Capital Facility Area Unlimited Tax General Obligation Bonds, 2024 in an original aggregate principal amount not to exceed \$15,000,000, as authorized by chapter 27.15 RCW and as approved by the voters at a special election held in the SLCFA on August 1, 2023, to finance the acquisition, construction, furnishing and equipping of a new library in the City of Sumner, including incidental costs and costs related to the sale and issuance of the bonds; and providing for the date, form, registration, maturity, terms and covenants of such bonds [**ACTION**]
5. Adjournment

**Sumner Library Capital Facility Area
Special Board Meeting Minutes
September 11, 2024**

Call to Order

The Special Meeting of the Sumner Library Capital Facility Area Governing Body (the “Board”) was called to order by Councilmember Herrera at 11:00 a.m. The meeting was held at the County-City Building’s Tahoma Conference Room, with the option of virtual attendance.

Roll Call

Board members present: Councilmember Paul Herrera, Councilmember Jani Hitchen.

Board members excused: Councilmember Dave Morrell.

In attendance:

Susan Long, Chief Legal Counsel, Pierce County Council

Dan Gottlieb and Christi Jacobsen, Bond Counsel, Hillis Clark Martin & Peterson P.S.

Dave Trageser, Managing Director, D.A. Davidson & Co.

Pierce County Library System (the “Library”): Executive Director Gretchen Caserotti, Business and Compliance Director Clifford Jo, and Executive Office Administration Manager Petra McBride.

Approval of the March 14, 2024, Minutes

The minutes were approved without objection.

Library Building Project Update

Executive Director Gretchen Caserotti provided an update on the Sumner Library building, now in the design development stage. She shared a summary of the project timeline, noting groundbreaking is anticipated to take place in late spring/early summer of 2025. The building size has been reduced to 17,500 square feet due to budgetary constraints and parking limitation. Community engagement activities will be shared on the Library’s website.

Review of the Draft Bond Delegation Resolution and Financing Schedule, Distribution List, and Market Update

Mr. Trageser provided a recap of the financing schedule. Bond ratings are expected to be received on November 19, 2024. They will be finalized when the bonds are priced on December 4, 2024. On that date, the bond purchase agreement will be executed. The closing of the bond sale and the receipt of the bond proceeds is scheduled for December 18, 2024. He noted the public offering allows the SLCFA to market the bonds to a wide group of investors at lowest taxed borrowing costs.

The SLCFA is a new credit, with no history of borrowing. Mr. Trageser noted he has been conservative in his assumptions relating to the estimated excess property tax rate of 24 cents per \$1,000 of assessed value.

Discussion ensued on determining factors of the bond price. Mr. Trageser noted he will take into consideration the status of the tax exempt bond market when making the pricing recommendation.

The principal amount of the bonds will not exceed \$15,000,000. The interest rate will be set when the bonds are sold, which will inform the amount of the debt service payments that are scheduled to be paid in June and December of next year.

Sumner Library Capital Facility Area
Special Board Meeting Minutes
September 11, 2024

Mr. Gottlieb provided an overview of the draft bond resolution, which would authorize the issuance of the sale of the bond. He noted the sale would be subject to certain parameters as outlined in Section 13 of the resolution.

The resolution includes several important covenants by the SLCFA: covenants to repay the bonds and levy the excess property tax for such purpose, restrictions on impermissible arbitrage and private business use, and covenants to comply with state and federal securities laws requiring disclosure. There is also a requirement under the federal securities laws to provide continuing disclosure of 16 material events and annual financial information which will be undertaken by the Library on behalf of the SLCFA consistent with the Sumner Library Development, Ownership and Management Agreement approved at the March 14, 2024, meeting.

The final version of the resolution will be presented at the October 10, 2024, meeting for the Board's consideration and approval. This will initiate the process for Mr. Trageser and his firm to undertake the marketing of the bonds and finalize the parameters of the purchase agreement for the sale on December 4, 2024.

Because the resolution is a delegation resolution, the sale of the bonds would occur outside of a public meeting, likely during a conference call. The resolution gives either the Chair or the Secretary (but not both) the authority to sign the bond purchase agreement and bind the SLCFA to close the sale and issuance of the bonds. The signed agreement is expected to be submitted no later than 5pm on December 4, 2024.

Discussion ensued on the limitations of the building usage. Additional discussion ensued on the effects of unfavorable bond market conditions and the options to potentially delay the financing.

Adjournment

The meeting was adjourned at 11:25 a.m.

Councilmember Paul Herrera, Chair

Date

Councilmember Jani Hitchen, Secretary

Date

SUMNER LIBRARY CAPITAL FACILITY AREA
PIERCE COUNTY, WASHINGTON

RESOLUTION NO. 2024-02

A RESOLUTION of the Governing Body of Sumner Library Capital Facility Area, providing for the issuance and sale of its Unlimited Tax General Obligation Bonds, 2024 in an original aggregate principal amount not to exceed \$15,000,000, as authorized by chapter 27.15 RCW and as approved by the voters at a special election held in the SLCFA on August 1, 2023, to finance the acquisition, construction, furnishing and equipping of a new library in the City of Sumner, including incidental costs and costs related to the sale and issuance of the bonds; and providing for the date, form, registration, maturity, terms and covenants of such bond.

WHEREAS, by Resolution No. R2023-48, the of the Pierce County Council, at the request of the Pierce County Rural Library District doing business as the Pierce County Library System (“PCLS”), called for an election to be held at the August 1, 2023 primary for the purpose of submitting to the affected voters the determination of whether or not to establish the Sumner Library Capital Facility Area (the “SLCFA”) and authorize it to incur indebtedness and to issue up to \$15,000,000 in general obligation bonds with a maximum term of 21 years to finance the acquisition, construction, furnishing and equipping of a new library in the City of Sumner, and to levy annual excess property taxes to repay such bonds; and

WHEREAS, at such special election, the number and proportion of the voters required by law for the adoption thereof voted in favor of the proposition to establish the SLCFA and authorize it to incur such indebtedness, issue such general obligation bonds and impose such excess levies; and

WHEREAS, none of such unlimited tax general obligation bonds have heretofore been issued by the SLCFA; and

WHEREAS, the governing body of the SLCFA (the “Governing Body”) deems it necessary and advisable that up to \$15,000,000 of such unlimited tax general obligation bonds now be issued to finance the acquisition, construction, furnishing and equipping of a new library in the City of Sumner, including incidental costs and costs related to the sale and issuance of such bonds; and

WHEREAS, the Governing Body deems it to be in the best interest of the SLCFA that the SLCFA negotiate the sale of such bonds to D.A. Davidson & Co. (the “Underwriter”), by way of a Purchase Agreement, to be dated the date of sale, by and between the SLCFA and the Underwriter, subject to the terms and conditions hereinafter set forth; and

WHEREAS, the SLCFA has entered into a Library Development, Ownership and Management Agreement with PCLS pursuant to which PCLS has agreed, among other things, to be responsible for administering the finances and construction of the new Sumner library from proceeds of the bond issue;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE SUMNER LIBRARY CAPITAL FACILITY AREA, AS FOLLOWS:

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this section, for all purposes of this Resolution (including the recitals hereto) and of any resolution supplemental hereto, shall have the meanings herein specified; words importing the singular number include the plural number and vice versa:

“Act” means chapter 27.15 RCW.

“Beneficial Owner” means, with respect to any Bond, the person named on the records of the Custodian as having the right, without a physical certificate evidencing such right, to transfer, to hypothecate and to receive the payment of the principal of, premium, if any, and interest on such Bond as the same becomes due and payable.

“Bonds” means the Sumner Library Capital Facility Area, Pierce County, Washington, Unlimited Tax General Obligation Bonds, 2024, dated the Date of Issue, in an original aggregate principal amount not to exceed \$15,000,000, the sale and issuance of which are authorized by this Resolution.

“Bond Fund” means the “Unlimited Tax General Obligation Bond Fund” created in Section 15 of this Resolution.

“Bond Register” means the registration books maintained by the Registrar for the purpose of identifying ownership of the Bonds.

“Book-Entry Termination Date” means the fifth business day following the date of receipt by the Registrar of the SLCFA’s request to terminate the book-entry system of registering the beneficial ownership of the Bonds.

“Chair” means the Chair of the SLCFA.

“Code” means the Internal Revenue Code of 1986, as heretofore or hereafter amended, together with all applicable rulings and regulations heretofore or hereafter promulgated thereunder.

“Custodian” means (a) The Depository Trust Company, New York, New York, or (b) any successor thereto engaged by the SLCFA to operate a book-entry system for recording, through electronic or manual means, the beneficial ownership of the Bonds, in which system no physical certificates are issued to the Beneficial Owners of the Bonds, but in which a limited number of physical certificates are issued to and registered in the name of the Custodian or its nominee, and delivered to the Custodian; provided, that such book-entry system operated by the Custodian may include the use of subsystems of recording the beneficial ownership of Bonds which are operated by parties other than the Custodian and the use of a nominee for the Custodian; and the term “Custodian,” as used herein, includes any party operating any such subsystem.

“Date of Issue” means the date upon which the Bonds are issued and delivered to the Underwriter in return for payment of the purchase price therefor.

“Governing Body” means the Governing Body of the SLCFA.

“Government Obligations” means “government obligations,” as defined in chapter 39.53 RCW, as now in existence or hereafter amended.

“Letter of Representations” means the Issuer Letter of Representations, between the SLCFA and the Custodian pertaining to the payment of the Bonds and the “book-entry” system for evidencing the beneficial ownership of the Bonds prior to the Book-Entry Termination Date.

“Library Agreement” means the Library Development, Ownership and Management Agreement, dated March 15, 2024, by and between PCLS and the SLCFA.

“MSRB” means the Municipal Securities Rulemaking Board.

“Owner” means the person named as the registered owner of a Bond on the Bond Register.

“PCLS” means the Pierce County Rural Library District, a municipal corporation organized and existing under State law, doing business as the Pierce County Library System.

“Project” means the acquisition, construction, furnishing and equipping of a new library in the City of Sumner, and paying incidental costs and costs related to the sale and issuance of the Bonds pursuant to RCW 39.46.070. Such costs shall include, but are not limited to, payments for fiscal and legal expenses, obtaining bond ratings and bond insurance, printing, engraving, advertising, establishing and funding reserve accounts and other accounts, an amount for working capital, capitalized interest for up to six months after completion of construction, necessary and related engineering, architectural, planning, and inspection costs, and other similar activities or purposes.

“Project Fund” means the “Capital Projects Fund” created in Section 15 of this Resolution.

“Purchase Agreement” means the Bond Purchase Agreement for the Bonds between the SLCFA and the Underwriter in substantially the form attached hereto as Exhibit A .

“Rule” means Securities and Exchange Commission Rule 15c2-12 under the Securities and Exchange Act of 1934, as it may be amended from time to time.

“RCW” means the Revised Code of Washington, as amended.

“Registrar” means the fiscal agency of the State of Washington appointed from time to time by the Washington State Finance Committee pursuant to chapter 43.80 RCW.

“Secretary” means the Secretary of the SLCFA.

“SLCFA” means the Sumner Library Capital Facility Area, a quasi-municipal corporation, an independent taxing unit and a taxing district organized and existing under State law.

“State” means the State of Washington.

“Treasurer” means the Director of the Finance Department of Pierce County, Washington, serving as the treasurer for the SLCFA, *ex officio*, or such officer’s designee.

“Underwriter” means D.A. Davidson & Co.

Section 2. Purpose and Description of Bonds. The SLCFA hereby authorizes the issuance of the Bonds for the purpose of financing the Project, as authorized by the Act and approved by the voters at a special election held in the SLCFA on August 1, 2023.

The Bonds will be designated as the “Sumner Library Capital Facility Area, Pierce County, Washington, Unlimited Tax General Obligation Bonds, 2024,” and will be issued in an original aggregate principal amount not to exceed \$15,000,000, as the SLCFA will establish by the Purchase Agreement.

The Bonds will be dated the Date of Issue, will mature on December 1 in each of the years and in the principal amounts, will bear interest (computed on the basis of a 360-day year of twelve 30-day months) from their date or the most recent interest payment date to which interest has been paid or provided for, whichever is later, at the rates and payable, commencing not later than June 1, 2025, and on June 1 and December 1 in the years, will be subject to optional and mandatory redemption before maturity at the prices, in the amounts and in the manner, and will be subject to the other terms and provisions as the SLCFA will establish by the Purchase Agreement. The Bonds will be fully registered as to both principal and interest, will be in the denomination of \$5,000 each or any integral multiple thereof (but no Bond will represent more than one maturity), and will be numbered separately in the manner and with any additional designation as the Registrar deems necessary for purposes of identification.

The Bonds will be negotiable instruments to the extent provided by RCW 62A.8-102 and RCW 62A.8-105.

The SLCFA reserves the right to purchase any or all of the Bonds from any willing seller(s) at any time and at any price. All Bonds purchased or redeemed by the SLCFA shall be surrendered to the Registrar for cancellation.

Section 3. Book-Entry System. On the Date of Issue, all Bonds maturing in the same

maturity year and bearing the same initial CUSIP number shall be issued in the form of a single certificate, which certificate shall be registered in the name of the Custodian, or its nominee, and delivered to the Custodian. The Custodian shall hold each such Bond certificate in fully immobilized form for the benefit of the Beneficial Owners of the Bonds pursuant to the Letter of Representations, until the earliest to occur of either (a) the date of maturity of the Bonds evidenced by such certificate, at which time the Custodian shall surrender such certificate to the Registrar for payment of the principal of and interest on such Bonds coming due on such date, and the cancellation thereof; (b) the Book-Entry Termination Date; or (c) the date the SLCFA determines to utilize a new Custodian for the Bonds, at which time the old Custodian shall (provided the SLCFA is not then in default of any payment then due on the outstanding Bonds) surrender the immobilized certificates to the Registrar for transfer to the new Custodian and cancellation as herein provided.

For so long as any outstanding Bonds are registered in the name of the Custodian or its nominee and held by the Custodian in fully immobilized form as described in this Section 3, the Custodian will be deemed to be the Owner of such Bonds for all purposes, the rights of the Beneficial Owners shall be evidenced solely by an electronic and/or manual entry made from time to time on the records established and maintained by the Custodian in accordance with the Letter of Representations, and no certificates evidencing such Bonds shall be issued and registered in the name of any Beneficial Owner or such Beneficial Owner's nominee.

The SLCFA may terminate the "book-entry" system of registering ownership of the Bonds at any time (provided the SLCFA is not then in default of any payment then due on the outstanding Bonds) by delivering to the Registrar: (1) a written request that it issue and deliver Bond certificates to each Beneficial Owner or such Beneficial Owner's nominee on the Book-Entry Termination Date; (2) a list identifying the Beneficial Owners as to both name and address; and (3) a supply of Bond certificates, if necessary for such purpose. Upon surrender to the Registrar of the immobilized certificates evidencing all of the then outstanding Bonds, the Registrar shall issue and deliver new certificates to each Beneficial Owner or such Beneficial Owner's duly appointed agent, naming such Beneficial Owner or such Beneficial Owner's nominee as the Owner thereof. Such certificates may be in any integral multiple of \$5,000 within a single maturity. Following such issuance, the Owners of such Bonds may transfer and exchange such Bonds in accordance with Section 10 hereof.

Neither the SLCFA nor the Registrar shall have at any time any responsibility or liability to any Beneficial Owner of Bonds or to any other person for any error, omission, action or failure to act on the part of the Custodian with respect to payment, when due, to the Beneficial Owner of the principal and interest on the Bonds, proper recording of beneficial ownership of Bonds, proper transfers of such beneficial ownership, or any notices to Beneficial Owners or any other matter pertaining to the Bonds.

Section 4. Place, Manner and Medium of Payment. Both the principal of and the interest on the Bonds shall be payable in lawful money of the United States of America. Prior to the Book-Entry Termination Date, the principal and interest on the Bonds shall be paid by the Registrar to the Custodian as the Owner thereof, for the benefit of the Beneficial Owners thereof, in accordance with the Letter of Representations. From and after the Book-Entry Termination Date, interest on the Bonds shall be paid by check or draft mailed by the Registrar on or before

the interest payment date, to Owners thereof, at the addresses for such Owners appearing on the Bond Register on the fifteenth day of the month preceding the interest payment date, or, if requested in writing by an Owner of \$1,000,000 or more in principal amount of Bonds at least ten days before an interest payment date, by wire transfer to an account within the United States. From and after the Book-Entry Termination Date, principal of the Bonds shall be payable upon presentation and surrender of the Bonds by the Owners at the principal corporate trust office of the Registrar. If any Bond shall have been presented for payment and not paid at maturity, then interest shall continue to accrue at the interest rate for such Bond until such Bond is paid.

Section 5. Debt Limit Not Exceeded. The Governing Body finds and covenants on behalf of the SLCFA that the Bonds are issued within the applicable constitutional and statutory limitations on SLCFA indebtedness.

Section 6. Pledge of Full Faith, Credit and Resources. The Bonds are unlimited tax general obligations of the SLCFA. The SLCFA hereby irrevocably covenants that, unless the principal of and interest on the Bonds are paid from other sources, so long as the Bonds are outstanding, it will make or cause to be made annual levies of taxes without limitation as to rate or amount upon all of the property in the SLCFA subject to taxation in amounts sufficient, together with any other money legally available therefor and to be used for such purpose, to pay the principal of and interest on the Bonds as the same shall become due. The SLCFA hereby irrevocably pledges its full faith, credit and resources for the annual levy and collection of such taxes and for the prompt payment of the principal and interest on the Bonds as the same shall become due.

Section 7. Form of Bonds. The Bonds shall be word processed, printed or lithographed on good bond paper in a form consistent with this Resolution and State law.

Section 8. Execution of Bonds. The Bonds shall be executed on behalf of the SLCFA with the facsimile or manual signatures of the Chair and the Secretary.

If any officer who has executed any Bonds ceases to be an officer of the SLCFA authorized to sign the Bonds before the Bonds bearing that person's signature are authenticated or delivered by the Registrar or issued by the SLCFA, those Bonds may nevertheless be authenticated, issued and delivered and, when authenticated, issued and delivered, will be as binding upon the SLCFA as though that person had continued to be an officer of the SLCFA authorized to sign the Bonds. Any Bond also may be signed on behalf of the SLCFA by any person who, on the actual date of signing of the Bond, is an officer of the SLCFA authorized to sign the Bonds, although that person did not hold the required office on the Date of Issue.

Section 9. Authentication and Delivery of Bonds by Registrar. The Registrar is authorized and directed, on behalf of the SLCFA, to authenticate and deliver the Bonds initially issued or transferred or exchanged in accordance with the provisions of the Bonds and this Resolution.

The Bonds shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution only if the Bonds shall bear thereon a "certificate of authentication" manually executed by an authorized signatory of the Registrar. Such certificate of authentication shall be

conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Resolution.

The Registrar shall be responsible for its representations contained in the certificate of authentication on the Bonds.

Section 10. Registration, Transfer and Exchange. The SLCFA covenants that, until all Bonds shall have been surrendered and cancelled, it will cause the Registrar to maintain a system of recording the ownership of each Bond that complies with the provisions of the Code. To that end, the Registrar shall keep, or cause to be kept, at the principal corporate trust office of the Registrar, the Bond Register.

The SLCFA and the Registrar, each in its discretion, may deem and treat the Owner(s) of each Bond as the absolute owner thereof for all purposes, and neither the SLCFA nor the Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as provided in Section 4 hereof, but such registration may be transferred as herein provided. All such payments made as described in Section 4 hereof shall be valid and effectual to satisfy and discharge the liability of the SLCFA upon such Bond to the extent of the amount or amounts so paid.

The registered ownership of any Bond may be transferred or exchanged. Prior to the Book-Entry Termination Date, the beneficial ownership of the Bonds may only be transferred on the records established and maintained by the Custodian. On and after the Book-Entry Termination Date, no transfer of any Bond shall be valid unless it is surrendered at the principal corporate trust office of the Registrar, with the assignment form appearing on such Bond duly executed by, or accompanied by a written instrument of transfer in form satisfactory to the Registrar, duly executed by, the Owner or such Owner's duly authorized agent, in a manner satisfactory to the Registrar. Upon such surrender, the Registrar shall cancel the surrendered Bond and shall authenticate and deliver, without charge to the Owner or transferee therefor (other than any governmental fees or taxes payable on account of such transfer), a new Bond or Bonds (at the option of the new Owner) of the same maturity and interest rate, for the same principal amount, and in any authorized denomination, naming as new Owner the person or persons identified as the assignee or transferee on the assignment form appearing on the surrendered Bond, in exchange for such surrendered and cancelled Bond. On and after the Book-Entry Termination Date, any Bond may be surrendered at the principal corporate trust office of the Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same maturity and interest rate, in any authorized denomination. The Registrar shall not be obligated to transfer or exchange any Bond during the 15 days preceding any interest or principal payment or redemption date applicable thereto.

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

Section 11. Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond becomes mutilated, lost, stolen or destroyed, the Registrar may authenticate and deliver a new Bond in the

principal amount remaining to maturity and of like tenor and effect in substitution therefor, all in accordance with applicable law. If such mutilated, lost, stolen or destroyed Bond has matured, the SLCFA may, at its option, pay the same without the surrender thereof. However, no such substitution or payment shall be made unless and until the applicant shall furnish (a) evidence satisfactory to the Registrar of the destruction or loss of the original Bond and of the ownership thereof, and (b) such additional security, indemnity or evidence as may be required by or on behalf of the SLCFA. No substitute Bond shall be furnished unless the applicant shall reimburse the SLCFA and the Registrar for their respective expenses in the furnishing thereof. Any such substitute Bond so furnished shall be equally and proportionately entitled to the security of this Resolution with any other Bond issued hereunder.

Section 12. Defeasance. If money and/or Government Obligations maturing at such time(s) and bearing such interest to be earned thereon (without any reinvestment thereof) as will provide a series of payments which shall be sufficient, together with any money initially deposited, to provide for the payment of all of the principal of and interest on all or a designated portion of the Bonds when due in accordance with their respective terms or upon the earlier redemption thereof in accordance with a refunding plan adopted by the SLCFA, are set aside in a special fund (hereinafter called the “defeasance fund”) to effect such payment or redemption and are pledged irrevocably for the purpose of effecting such payment or redemption, then no further payments need be made into the Bond Fund for the payment of the principal of and the interest on the Bonds, the Owner shall cease to be entitled to any lien, benefit or security of this Resolution and the Bond Fund described herein, except for the right to receive the money and the principal and interest proceeds on the obligations set aside in the defeasance fund, and the Bonds shall no longer be deemed to be outstanding hereunder.

Section 13. Sale of Bonds. The SLCFA hereby authorizes either the Chair or the Secretary, acting alone but not together, (i) to serve as the SLCFA’s designated representative to negotiate the sale of the Bonds to the Purchaser; (ii) to accept, on behalf of the SLCFA, the offer to purchase the Bonds pursuant to the Purchase Agreement, which offer must be consistent with the terms of this Resolution; and (iii) to execute and deliver such Purchase Agreement for and on behalf of the SLCFA. All of the Bonds shall be sold at the same time pursuant to the Purchase Agreement, which shall establish the aggregate principal amount, interest payment dates, interest rate(s), redemption provisions, purchase price and delivery date of the Bonds, and whether bond insurance will be obtained for the Bonds; provided that:

- (a) The original aggregate principal amount of the Bonds shall not exceed \$15,000,000;
- (b) One or more rates of interest may be fixed for the Bonds, which rate(s) must be in multiples of 1/1000th of 1%, and no rate of interest for any maturity of the Bonds shall exceed 6.00%;
- (c) The true interest cost to the SLCFA for the Bonds shall not exceed 5.50%;
- (d) The purchase price for the Bonds shall not be less than 98% nor greater than 140% of the original aggregate principal amount of the Bonds;

(e) The Bonds may be issued subject to provisions for optional redemption prior to maturity at a price of par, plus accrued interest, if any, commencing not later than 10.5 years following the Date of Issue;

(f) The Bonds may be issued subject to provisions for mandatory redemption prior to maturity, including designation of term bonds, if any, at a price of par;

(g) The final maturity of the Bonds shall not be later than December 1, 2045;

(h) The Date of Issue of the Bonds shall not be later than February 28, 2025; and

(i) Bond insurance may be obtained for the Bonds if the present value of the premium to be paid for such bond insurance (computed by using the yield-to-maturity on the Bonds, including such premium, as the discount factor) is less than the present value of the interest reasonably expected to be saved on the Bonds as a result of the purchase of such bond insurance.

Section 14. Delivery of Bonds. The Bonds will be prepared at SLCFA expense and will be delivered to the Underwriter in accordance with the Purchase Agreement, together with the approving legal opinion of Hillis Clark Martin & Peterson P.S., bond counsel, Seattle, Washington, relative to the issuance of the Bonds. Bond counsel has not been engaged to review or express any opinion concerning the completeness or accuracy of any official statement or other disclosure documentation used in connection with the offer or sale of the Bonds by any person, and bond counsel's opinion shall so state. Bond counsel has not been retained to monitor, and shall not be responsible for monitoring, the SLCFA's compliance with any federal law or regulations to maintain the tax-exempt status of the interest on the Bonds.

If definitive Bonds are not ready for delivery by the date established for closing of the purchase and sale of the Bonds, the Chair and/or the Secretary, upon the approval of the Underwriter, may cause to be issued and delivered to the Underwriter temporary Bonds with appropriate omissions, changes and additions. Any temporary Bonds shall be entitled and subject to the same benefits and provisions of this Resolution with respect to the payment, security and obligation thereof as the definitive Bonds authorized hereby. Such temporary Bonds shall be exchangeable without cost to the Owners thereof for the definitive Bonds when the latter are ready for delivery.

The proper SLCFA officials, including, but not limited to, the Chair and/or the Secretary, are authorized and directed to approve and/or execute, as appropriate, all documents, including, but not limited to, the final official statement pertaining to the Bonds, and to do everything necessary for the preparation and delivery of a transcript of proceedings pertaining to the Bonds, and the printing or preparation, execution and delivery of the definitive Bonds to the Underwriter, each without unreasonable delay.

Section 15. Establishment of Bond Fund and Project Fund; Application of Bond Proceeds. There is hereby created and established with the Treasurer the "Unlimited Tax General Obligation Bond Fund" of the SLCFA (the "Bond Fund"), to be maintained separate and apart from the other funds and accounts of the SLCFA. The SLCFA shall deposit into the Bond

Fund the accrued interest received, if any, from the sale and delivery of the Bonds and all taxes collected for and allocated to the payment of the Bonds. The money and investments in the Bond Fund shall be used by the SLCFA, together with any other money legally available and designated therefor, to pay the principal of and interest on the Bonds, when due.

There is hereby created and established with the Treasurer the “Capital Project Fund” of the SLCFA (the “Project Fund”), to be maintained separate and apart from the other funds and accounts of the SLCFA. The SLCFA shall deposit into the Project Fund the net principal proceeds of the Bonds received from the sale and delivery of the Bonds, as well as the net income received from the investment thereof. The money and investments in the Project Fund shall be used, together with any other money legally available and designated therefor, to pay Project costs.

Interest and profits derived from the investment of Bond proceeds shall be deposited in the Project Fund and applied as described in the preceding paragraph.

If any money allocable to the Bond proceeds remains in the Project Fund after the earliest to occur of (a) payment of all the costs of the Project or (b) termination of the Project by the SLCFA, such money shall be transferred to the Bond Fund and applied to the payment of the principal of and interest on the Bonds.

Pending application as described in this Section 15, money allocable to the Bond proceeds in the Project Fund may be temporarily deposited in such institutions or invested in such investments as may be lawful for the investment of SLCFA funds.

Section 16. Tax Exemption. The SLCFA covenants that it will not take or permit to be taken on its behalf any action that would adversely affect the exclusion of the interest on the Bonds from gross income for purposes of federal income taxation, and will take or require to be taken such acts as may be permitted by, and as may from time to time be required under, applicable law to continue the exclusion of the interest on the Bonds from gross income for purposes of federal income taxation. Without limiting the generality of the foregoing, the SLCFA will not invest or make or permit any use of the proceeds of the Bonds or of its other money at any time during the term of the Bonds which will cause the Bonds to be an “arbitrage bond” within the meaning of Section 148 of the Code.

The SLCFA further covenants that it shall calculate or cause to be calculated, and shall rebate to the United States, all earnings from the investment of Bond proceeds that are in excess of the amount that would have been earned had the yield on such investments been equal to the yield on the Bonds, plus income derived from such excess earnings, to the extent and in the manner required by Section 148 of the Code.

The SLCFA has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the SLCFA is a bond issuer the arbitrage certifications of which may not be relied upon.

The SLCFA will take no actions and will make no use of the proceeds of the Bonds or any other funds held under this Resolution which would cause any Bonds to be treated as a

“private activity bond” (as defined in Section 141(b) of the Code) subject to treatment under said Section 141(b) as an obligation not described in Section 103(a) of the Code, unless the tax exemption thereof is not affected.

Section 17. Preliminary and Final Official Statement. The SLCFA authorizes and directs the Chair (1) to review, with assistance from PCLS, and approve the information contained in the preliminary official statement (the “Preliminary Official Statement”) prepared in connection with the sale of the Bonds; and (2) for the sole purpose of compliance by the purchaser of the Bonds with subsection (b)(1) of the Rule, to “deem final” the Preliminary Official Statement as of its date, except for information permitted to be omitted therefrom by the Rule. After the Preliminary Official Statement has been reviewed and approved in accordance with this Section 17, the SLCFA authorizes the distribution of the Preliminary Official Statement to prospective purchasers of the Bonds.

Following the sale of the Bonds, the Chair is authorized to review, with assistance from PCLS, and approve on behalf of the SLCFA a final official statement with respect to the Bonds. The SLCFA will cooperate with the Underwriter to deliver or cause to be delivered, within seven business days from the date of the Purchase Agreement and in sufficient time to accompany any confirmation that requests payment from any customer of the purchaser, copies of a final official statement pertaining to the Bonds in sufficient quantity to comply with paragraph (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board.

Section 18. Undertaking to Provide Continuing Disclosure. This section constitutes the SLCFA’s written undertaking for the benefit of the Owners and Beneficial Owners of the Bonds required by subsection (d)(2) of the Rule (the “Undertaking”).

The SLCFA hereby agrees to provide or cause to be provided to the MSRB the following annual financial information and operating data (collectively, the “Annual Financial Information”) for each prior fiscal year, commencing with the fiscal year ending December 31, 2024, on or before the 30th day of the ninth month following the end of such prior fiscal year, commencing September 30, 2025:

(a) Financial statements prepared in accordance with the generally accepted accounting principles applicable to governmental units, as such principles may be changed from time to time and as permitted by State law; which statements will not be audited, except that if and when audited financial statements are otherwise prepared and available to the SLCFA, they will be provided; and

(b) Other operating data customarily prepared by or on behalf of the SLCFA, including the following:

- (i) The assessed valuation of taxable property in the SLCFA;
- (ii) *Ad valorem* taxes due and the percentages of taxes collected;
- (iii) Property tax levy rates per \$1,000 assessed valuation; and

(iv) A statement of authorized, issued and outstanding indebtedness of the SLCFA.

In its provision of such Annual Financial Information, the SLCFA may cross-reference to any “final official statement” (as defined in the Rule) available to the public on the MSRB’s internet web site or filed with the SEC.

The SLCFA further agrees to provide or cause to be provided to the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, notice 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, Notices 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 the Owners of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances of the Bonds;
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 SLCFA;
13. The consummation of a merger, consolidation or acquisition involving the SLCFA or the sale of all or substantially all of the assets of the SLCFA, 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 SLCFA, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the SLCFA, 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 SLCFA, any of which reflect financial difficulties.

For purposes of the Rule and this Undertaking, the term “financial obligation” means (a) a debt obligation; (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) a guarantee of either (a) or (b). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

The SLCFA agrees that all documents provided to the MSRB pursuant to this Undertaking shall be provided in an electronic format and accompanied by such identifying information, each as prescribed by the MSRB.

The SLCFA may amend its obligations under, or waive any provision of, this Undertaking upon receipt of a favorable opinion of nationally recognized bond counsel or other counsel familiar with the federal securities law, or pursuant to a favorable “no-action letter” issued by the SEC. In the event of any amendment or waiver of the SLCFA’s obligations under this Undertaking, the SLCFA agrees to describe such amendment in the Annual Financial Information for such fiscal year and shall include, as applicable, a narrative explanation of the reason for such amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the SLCFA. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (A) notice of such change will be given in the same manner as for the notice events set forth above, and (B) the Annual Financial Information for the fiscal year in which the change is made shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

The SLCFA’s obligations to provide Annual Financial Information and notices of certain events shall terminate without amendment upon the defeasance, prior redemption or payment in full of all of the then outstanding Bonds. This Undertaking or any provision hereof, shall be null and void if the SLCFA (i) obtains an opinion of nationally recognized bond counsel or other counsel familiar with the federal securities laws to the effect that those portions of the Rule which require this Undertaking or any such provision are invalid, have been repealed retroactively or otherwise do not apply to the Bonds; and (ii) notifies and provides the MSRB with copies of such opinion.

The right of each Owner and Beneficial Owner of Bonds to enforce the provisions of this Undertaking shall be limited to the right to obtain specific enforcement of the SLCFA’s obligations under this Undertaking, and any failure by the SLCFA to comply with the provisions of this Undertaking shall not be a default with respect to the Bonds under this Resolution.

Consistent with the Library Agreement, the SLCFA hereby requests and authorizes PCLS to take such further action on behalf of the SLCFA as may be necessary, appropriate or convenient to carry out the requirements of this Undertaking, including obtaining the assistance of the Treasurer of the SLCFA.

Section 19. General Authorization. The Chair, the Secretary, the Treasurer and other appropriate SLCFA and PCLS officials, agents and representatives are authorized and directed to do everything necessary for the prompt sale, issuance, execution and delivery of the Bonds, and for the proper use and application of the proceeds of the sale thereof.

Section 20. Contract; Savings Clause. The covenants contained in this Resolution and in the Bonds shall constitute a contract between the SLCFA and the Owner of the Bonds. The SLCFA unconditionally covenants that it will keep and perform all of the covenants of the Bonds and this Resolution. If any one or more of the covenants or agreements provided in this Resolution to be performed on the part of the SLCFA shall be declared by any court of competent jurisdiction and after final appeal (if any appeal be taken) to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this Resolution and shall in no way affect the validity of the other provisions of this Resolution or of the Bonds.

Section 21. Immediate Effect. This Resolution shall take effect immediately upon its adoption.

PASSED by the Governing Body of Sumner Library Capital Facility Area, at an open public special meeting thereof, notice of which was duly given as required by law, this 10th day of October, 2024.

GOVERNING BODY
SUMNER LIBRARY CAPITAL FACILITY AREA
PIERCE COUNTY, WASHINGTON

Chair and Member

Secretary and Member

Member

EXHIBIT A

Form of Purchase Agreement

[Attached]

December 4, 2024

Chair, Governing Body
Sumner Library Capital Facility Area
3005 112th St. E.,
Tacoma, Washington 98446

§ _____
**SUMNER LIBRARY CAPITAL FACILITY AREA
PIERCE COUNTY, WASHINGTON
UNLIMITED TAX GENERAL OBLIGATION BONDS, 2024**

BOND PURCHASE AGREEMENT

On October 10, 2024 the Governing Body (the “Governing Body”) of the Sumner Library Capital Facility Area (the “SLCFA”) passed Resolution No. 2024-02 (the “Resolution”) authorizing the issuance, sale and delivery of the SLCFA’s Unlimited Tax General Obligation Bonds, 2024 (“Bonds”), and delegating to the Chair or Secretary of the SLCFA (each, the “Designated Representative”), the authority acting alone to execute and deliver this Bond Purchase Agreement (the “Agreement”). As a result of such authority, D.A. Davidson & Co. (the “Underwriter”) hereby offers to enter into this Agreement with the SLCFA. This offer is made subject to the SLCFA’s written acceptance and execution of this Agreement by 5:00 PM (PT), on December 4, 2024 and, if not so accepted, is subject to withdrawal by the Underwriter at any time by notice delivered to the SLCFA. Time shall be of the essence of this Agreement.

Upon your acceptance, this Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the SLCFA and the Underwriter. Reference is made to the Resolution for definitions of capitalized terms used and not otherwise defined herein.

1) Purchase of the Bonds; Terms

Purchase Price of the Bonds. Upon the terms and conditions and in reliance upon the representations set forth herein, the Underwriter hereby agrees to purchase from the SLCFA and the SLCFA hereby agrees to sell to the Underwriter, all (but not less than all) of the Bonds in the aggregate principal amount of \$_____ at an aggregate purchase price of \$_____ (representing the par amount of the Bonds less the Underwriter’s Discount of \$_____, plus the Original Issue Premium of \$_____).

Terms. The Bonds shall be issued and secured under and pursuant to the Resolution, shall be dated the Closing Date (hereinafter defined), and shall mature, bear interest, be subject to redemption, and have such other terms as set forth in Exhibit A hereto and in the Resolution, which by this reference is incorporated herein.

2) Closing

On December 18, 2024, or on such other date as the Underwriter and the SLCFA may mutually agree (the “Closing Date”), the Underwriter will accept delivery of the Bonds and pay the purchase price thereof as set forth in Section 1 herein by wire transfer of immediately available funds (the “Closing”). The Bonds shall be delivered through The Depository Trust Company, New York, New York (“DTC”) in definitive form, bearing CUSIP numbers and issued under a book-entry system.

3) Establishment of Issue Price

- a) The Underwriter agrees to assist the SLCFA in establishing the issue price of the Bonds and shall execute and deliver to the SLCFA at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the SLCFA and Hillis Clark Martin & Peterson P.S., as bond counsel for the Bonds (“Bond Counsel”), to accurately reflect, as applicable, the sales price or prices, to the public of the Bonds.
- b) For each maturity of the Bonds designated as a General Rule Maturity in Schedule A to Exhibit B attached hereto, the SLCFA will treat the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Agreement, the Underwriter shall report to the SLCFA the price or prices at which the Underwriter has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the hold-the-offering-price rule (described below) will apply to each undersold maturity.
- c) With respect to each maturity of the Bonds designated as a Hold-the-Offering Price Maturity in Schedule A to Exhibit B attached hereto, the Underwriter confirms that it has offered the Bonds to the public on or before the date of this Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Schedule A to Exhibit B attached hereto. Schedule A also sets forth, as of the date of this Agreement, the maturities (if any) of the Bonds for which the 10% test has not been satisfied and for which the SLCFA and the Underwriter agrees that the restrictions set forth in the final sentence of this paragraph shall apply, which will allow the SLCFA to treat the initial offering price to the public of such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). For purposes of this subsection, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds. So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:
 - i) the close of the fifth (5th) business day after the sale date of December 4, 2024; or
 - ii) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the SLCFA when the Underwriter has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

- d) The Underwriter confirms:

Any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to;

(A) Report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been

satisfied as to the Bonds of that maturity, provided, that the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter;

- (B) Comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter;
- (C) Promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined in this Section); and
- (D) Acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public; and
 - a. The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:
 - i. “public” means any person other than an underwriter or a related party;
 - ii. “underwriter” means (A) any person that agrees pursuant to a written contract with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public);
 - iii. a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and
 - iv. “sale date” means the date of execution of this Agreement by all parties.

4) **Representations**

The SLCFA makes the following representations:

a) General

- i) The SLCFA is a quasi-municipal corporation, an independent taxing unit and a taxing district organized and existing under the laws of the state of Washington (the “State”) and is authorized to issue the Bonds, to enter into this Agreement, the Continuing Disclosure Undertaking (hereinafter defined) and all other agreements contemplated hereby and to adopt the Resolution.
- ii) The SLCFA has complied to date with all applicable provisions of the laws of the State in connection with the execution and issuance of the Bonds.

- iii) The Resolution and this Agreement have been duly and validly authorized, passed and executed by the SLCFA.
- iv) As of the Closing Date, the SLCFA will have authorized all necessary action to be taken by it for (A) the issuance and sale of the Bonds upon the terms set forth herein and the Resolution; (B) the execution, delivery, receipt and due performance of this Agreement, the Continuing Disclosure Undertaking, the Bonds, the Resolution, and all other agreements contemplated hereby or required in order to carry out, give effect to and consummate the transactions described in this Agreement; and (C) carrying out, giving effect to and consummation of the transactions described in this Agreement.
- v) The Bonds when issued, delivered and paid for as provided for herein and in the Resolution, will have been duly and validly authorized and issued and will constitute unlimited tax obligations of the SLCFA secured as provided in the Resolution and as described in the Official Statement referred to in Section 4(b) below.
- vi) There are no legal or governmental proceedings pending or, to the knowledge of the SLCFA, threatened, (A) affecting the corporate existence of the SLCFA or the titles of its officers to their respective offices, (B) seeking to prohibit, restrain, or enjoin the passage of the Resolution or the sale, issuance, or delivery of the Bonds or (C) wherein an unfavorable decision, ruling or finding could have a material adverse effect on the financial position or operating condition of the SLCFA, the authority for or the validity or security of the Bonds, the Resolution, this Agreement, the Continuing Disclosure Undertaking or the transactions described herein. The financial statements of the SLCFA included in the Official Statement fairly represent the SLCFA's financial position and result of operations of as of the dates and for the years set forth therein; and except as described in the Official Statement, there has been no material adverse change in the financial condition or operations of the SLCFA, and the SLCFA has not issued additional bonds or other indebtedness or otherwise become obligated under any material financings.

b) Preliminary and Final Official Statement

- i) The SLCFA has "deemed final" as of its date the Preliminary Official Statement dated November __, 2024 relating to the Bonds (the "Preliminary Official Statement") for purposes of paragraph (b)(1) of Rule 15c2-12 ("Rule 15c2-12") of the Securities and Exchange Commission (the "SEC"), except for the omission of only such material as is permitted by such paragraph. As of its date and as of the date hereof, the Preliminary Official Statement does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for such information that may be omitted from a preliminary official statement pursuant to Rule 15c2-12). For the purposes of this paragraph and paragraph (iii) below, the SLCFA makes no representation or warranty with respect to information within the Preliminary Official Statement or Official Statement relating to the accuracy or completeness of Bond Counsel's form of opinion; or information provided by the Underwriter regarding the reoffering prices, or information related to the Underwriter; or the information provided in "APPENDIX E—BOOK-ENTRY SYSTEM," which has been obtained from DTC's website, or other information provided by third parties. The SLCFA has not undertaken to verify independently other information obtained or derived from various sources and presented in the Official Statement.
- ii) By the Resolution, the SLCFA has authorized the distribution by the Underwriter of the Preliminary Official Statement and the Official Statement, when available, in offering the Bonds for sale to prospective purchasers of the Bonds. As promptly as practicable after the execution of this Agreement, but not later than, the earlier of (A) seven business days from the

date hereof and (B) in sufficient time to accompany any order confirmation from the Underwriter to its customer, in sufficient time to permit the Underwriter to comply with the provisions of Rule 15c2-12 and with all applicable rules of the Municipal Securities Rulemaking Board (the “MSRB”), the SLCFA shall cause to have prepared and delivered to the Underwriter a final Official Statement for the Bonds executed by an authorized officer of the SLCFA (the “Official Statement”). The Official Statement shall be dated the date hereof and shall be in substantially the same form as the Preliminary Official Statement with only such changes permitted by Rule 15c2-12 and as approved by the Underwriter. To enable the Underwriter to comply with Rule 15c2-12 and the rules of the MSRB, the SLCFA agrees to deliver or have delivered to the Underwriter (A) a reasonable number of printed copies of the Official Statement as the Underwriter may request and (B) an electronic copy of the Official Statement in a word-searchable Portable Document Format (“PDF”).

- iii) As of its date and as of the Closing Date, the Official Statement will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The SLCFA agrees to notify the Underwriter if, between the date of this Agreement and the “end of the underwriting period” under Rule 15c2-12 (a period concluding on the final date the Underwriter is charged with furnishing copies of the Official Statement to potential customers under Rule 15c2-12, but no later than 25 days after the Closing Date), it becomes aware of information or an event that might cause the Official Statement to be inaccurate or incomplete in any material respect. At the request of the Underwriter, the SLCFA will, at its own expense, supplement the Official Statement to the extent necessary to make it accurate and complete in all material respects and in a form reasonably approved by the Underwriter.

c) *Continuing Disclosure*

- i) As of the Closing Date, pursuant to Section 18 of the Resolution, the SLCFA has entered into a continuing disclosure undertaking with respect to the Bonds (the “Continuing Disclosure Undertaking”) for the purposes of assisting the Underwriter in meeting the requirements of Rule 15c2-12.

5) Closing Conditions

The Underwriter enters into this Agreement in reliance upon the representations of the SLCFA contained herein and in the Resolution and in reliance upon the representations to be contained in the documents and instruments to be delivered on the Closing Date and upon the performance by the SLCFA of its obligations hereunder both on and as of the date hereof and as of the Closing Date. Accordingly, the Underwriter’s obligation under this Agreement to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the SLCFA of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

- a) the representations of the SLCFA contained herein shall be true and correct on the date hereof and on the Closing Date;
- b) on the Closing Date, the Resolution shall be in full force and effect and the Resolution and the Official Statement shall not have been supplemented or amended, except in each case as may have been agreed to by the Underwriter;
- c) on the Closing Date, there shall have been no material adverse change in the financial position, results of operations or condition, financial or otherwise, of the SLCFA;
- d) at or prior to the Closing, the Underwriter shall receive, in addition to the documents described in

Section 4 of this Agreement, the following documents:

- i) a certified copy of the Resolution;
- ii) a certificate of the SLCFA confirming that its representations contained herein are true and correct;
- iii) the opinion of Hillis, Clark, Martin & Peterson P.S., as Bond Counsel, dated the Closing Date, substantially in the form of Appendix C to the Official Statement, together with a reliance letter of Bond Counsel, dated the Closing Date and addressed to the Underwriter;
- iv) an opinion of Hillis, Clark, Martin & Peterson P.S., in its separate capacity as disclosure counsel for the Bonds, dated the Closing Date and addressed to the SLCFA, together with a reliance letter dated the Closing Date and addressed to the Underwriter;
- v) confirmation evidence satisfactory to the Underwriter that the Bonds have been rated “___” by S&P Global Ratings (“S&P”) and that such rating has not been revoked or downgraded; and
- vi) such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter or Bond Counsel may reasonably request.

If the conditions to the Underwriter’s obligations contained in this Agreement are not satisfied (unless otherwise waived in writing by the Underwriter) or if the Underwriter’s obligations shall be terminated for any reason permitted herein, this Agreement shall terminate and neither the Underwriter nor the SLCFA shall have any further obligation hereunder except to reimburse the Underwriter for expenses related to the printing and mailing of the Preliminary and final Official Statements.

6) Termination

The Underwriter shall have the right to cancel its obligation to purchase the Bonds if between the date hereof and the Closing, (i) legislation shall have been enacted by the Congress of the United States or the legislature of the State or legislation shall have been reported out of committee of either body, or a decision shall have been rendered by a court of the United States or of the State or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States or the Internal Revenue Service, with respect to obligations of the general character of the Bonds which, in the reasonable judgment of the Underwriter, materially adversely affects the market for the Bonds, or (ii) there shall exist any event which, in the reasonable judgment of the Underwriter, either (a) makes untrue or incorrect in any material respect as of such time any statement or information contained in the Official Statement or (b) is not reflected in the Official Statement but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect, and, in either such event, the SLCFA refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds, or (iii) there shall have occurred an outbreak or escalation of hostilities or any other national or international calamity or crisis, the effect of which outbreak, escalation, calamity or crisis on the financial markets of the United States is such as, in the reasonable judgment of the Underwriter, would make it impracticable for the Underwriter to market or enforce contracts for the sale of the Bonds, or (iv) there shall be in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the SEC or any other governmental authority having jurisdiction, or (v) a general banking moratorium shall have been declared by either Federal, State or

New York authorities having jurisdiction and be in force, or (vi) there shall be established any new restriction on transactions in municipal securities materially affecting the free market for municipal securities (including the imposition of any limitation on interest rates) or extension of credit by, or charge to the net capital requirements of, the Underwriter established by the SEC, any other federal or state agency or the Congress of the United States, or by Executive Order.

7) Payment of Expenses

Subject to the provisions of Section 1, all fees, expenses and costs incident to the execution and performance of this Agreement and to the authorization, issuance and sale of the Bonds to the Underwriter, including, but not limited to: the fees and expenses of Bond and Disclosure Counsel; the fees of the Bond Registrar; the fees of the rating agency; costs of preparation of the Preliminary and final Official Statement; and the cost, if any, of printing the Bonds and full execution thereof shall be paid by the SLCFA. All expenses to be paid by the SLCFA pursuant to this Agreement may be paid from Bond proceeds to the extent permitted by the Resolution. The obligation of the SLCFA under this Section 7 shall survive the payment of the Bonds. The Underwriter shall pay the costs of qualifying the Bonds for sale in the various states chosen by the Underwriter, all advertising expenses in connection with the public offering of the Bonds and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds.

8) Notices

Any notice or other communication to be given to the SLCFA under this Agreement may be given by delivering the same in writing at the address set forth above, and any such notice or other communications to be given to the Underwriter may be given by delivering the same in writing to D.A. Davidson & Co., Columbia Center, 701 5th Avenue, Suite 4050, Seattle, Washington 98104, Attention: Mr. David Trageser. The approval of the Underwriter when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by the Underwriter and delivered to the SLCFA.

9) Miscellaneous

This Agreement is made solely for the benefit of the SLCFA and the Underwriter (including successors or assigns of the Underwriter with the consent of the SLCFA, but excluding any purchaser, as such purchaser, of Bonds from the Underwriter) and, to the extent expressed herein, controlling persons thereof, and no other persons, partnership, association or corporation shall acquire to have any right hereunder or by virtue hereof. This Agreement may not be changed or terminated orally. All understandings and agreements previously existing between the SLCFA and the Underwriter, if any, are merged into this Agreement, which alone fully expresses the agreement of the parties. All representations and agreements of the SLCFA contained in this Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State.

The Underwriter agrees to file a copy of the Official Statement on the MSRB's Electronic Municipal Market Access ("EMMA") system.

The SLCFA will cause to be delivered to the Underwriter, after Closing, a transcript of all proceedings, documents, certificates and opinions relating to the authorization and issuance of the Bonds.

The SLCFA acknowledges and agrees that: (i) it has previously received disclosures from the Underwriter regarding its role and interests in connection with its purchase of the Bonds from the SLCFA and its sale of the Bonds to investors pursuant to the MSRB's Rules G-17 and G-23; (ii) the

Underwriter is acting solely as a principal and not as a municipal advisor or agent of the SLCFA and has not assumed any advisory or fiduciary responsibility to the SLCFA with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the SLCFA on other matters); and (iii) the only contractual obligations the Underwriter has to the SLCFA with respect to the transactions contemplated hereby are set forth in this Agreement. The Underwriter agrees to comply in all material respects with all applicable laws and regulations governing the underwriting of the Bonds.

It is the SLCFA's understanding that a municipal advisory relationship shall not be deemed to exist when, in the course of acting as an underwriter, a broker, dealer or municipal securities dealer, a person employed by the Underwriter renders advice to the SLCFA concerning the Bonds, including advice with respect to the structure, timing, terms and other similar matters.

The Underwriter represents that it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; this Agreement has been duly authorized, executed and delivered by the Underwriter and, assuming the due authorization, execution and delivery by the SLCFA, is a legal, valid and binding obligation of the Underwriter; and it is licensed by and registered with the Financial Industry Regulatory Authority as a broker dealer and with the MSRB as a municipal bond dealer.

10) Counterparts

This Agreement may be executed in any number of counterparts each of which shall be an original but all of which together will constitute one and the same instrument.

Very truly yours,

D.A. DAVIDSON & CO.

Accepted and Agreed to:

By:
David Trageser, Managing Director

Sumner Library Capital Facility Area
Pierce County, Washington

By: _____

Title: Chair _____

Time: _____, December 4, 2024

EXHIBIT A

TERMS OF THE BONDS

\$ _____
SUMNER LIBRARY CAPITAL FACILITY AREA
PIERCE COUNTY, WASHINGTON
UNLIMITED TAX GENERAL OBLIGATION BONDS, 2024

Maturity (Dec. 1)	Principal Amount	Interest Rate	Yield	Price (% of Par)
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- (1) *Priced to the call date of*
(2) *Term Bond*

Redemption

[*Optional Redemption.* The Bonds maturing on and after December 1, ____, are subject to redemption at the option of the SLCFA on and after ____, 20__, in whole or in part on any date (and if in part, with maturities to be selected by the SLCFA), at a price of par plus accrued interest, if any, to the date of redemption.]

[*Mandatory Sinking Fund Redemption.* The Bonds maturing on December 1 in the years ____ and ____ are term bonds (the “Term Bonds”) and, if not previously optionally redeemed or purchased by the SLCFA in the open market, are subject to mandatory sinking fund redemption prior to maturity in part and by lot (in such manner as the Registrar shall determine), at a price of par plus accrued interest to the redemption date, on December 1 in the following years and in the following mandatory sinking fund redemption amounts:

Mandatory Sinking Fund
Redemption Dates
(December 1)

Mandatory Sinking Fund
Redemption Amounts

- (1) *Maturity*

If the SLCFA optionally redeems Term Bonds or purchases Term Bonds in the open market, the par amount of the Term Bonds so redeemed or purchased (irrespective of their actual purchase prices) shall be credited against one or more scheduled mandatory redemption amounts for such Term Bonds (as allocated by the SLCFA) beginning not earlier than 60 days after the date of purchase, and the SLCFA shall promptly notify the Registrar in writing of the manner in which the credit for the Term Bonds so purchased has been allocated.

Any Bond in the principal amount of greater than \$5,000 may be partially redeemed in any integral multiple of \$5,000. Prior to the Book-Entry Termination Date, Bonds shall be partially redeemed in accordance with the Letter of Representations. From and after the Book-Entry Termination Date, in the event of a partial redemption of a Bond, upon surrender of such Bond at the principal corporate trust office of the Registrar, a new Bond or Bonds (at the option of the Owner) of the same maturity and interest rate and in the aggregate principal amount remaining unredeemed shall be authenticated and delivered to the Owner, without charge to the Owner therefor, in any denomination authorized by the Bond Resolution and selected by the Owner.

In the case of an optional redemption, the SLCFA shall select the maturities to be redeemed. If fewer than all of the outstanding Bonds within a maturity are to be redeemed prior to the Book-Entry Termination Date, Bonds shall be selected for redemption in accordance with the Letter of Representations. If fewer than all of the outstanding Bonds within a maturity are to be redeemed from and after the Book-Entry Termination Date, Bonds shall be selected for redemption randomly within a maturity in such manner as the Registrar shall determine.

Prior to the Book-Entry Termination Date, the Registrar shall give, or cause to be given, notice of a call for redemption of any Bonds to the Custodian, as the Owner thereof, for the benefit of the Beneficial Owners thereof, in accordance with the Letter of Representations. From and after the Book-Entry Termination Date, and unless waived by the Owner of any Bond to be redeemed, notice of any such intended redemption shall be given by or on behalf of the SLCFA not less than 20 nor more than 60 days prior to the date fixed for redemption by first-class mail, postage prepaid, to the Owner of each Bond to be redeemed at the address appearing on the Bond Register on the day the notice is given. The requirements of this section shall be deemed to be complied with when notice is mailed as herein provided, whether or not it is actually received by the Owner.

In the case of an optional redemption, the notice may state that the SLCFA retains the right to rescind the redemption notice and the related optional redemption of Bonds by giving a notice of rescission to the affected Owners at any time prior to the scheduled optional 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.

If such notice to the Owners shall have been given and the SLCFA shall have set aside sufficient money for the payment of all Bonds called for redemption on the date fixed for redemption, the Bonds so called shall cease to accrue interest after such redemption date, and all such Bonds shall be deemed not to be outstanding under the Bond Resolution for any purpose, except that the Owners of such Bonds shall be entitled to receive payment of the redemption price and interest accrued on the principal of the Bonds to the redemption date from the money set aside for such purpose. Interest on Bonds called for redemption will cease to accrue on the date fixed for redemption unless the Bond or Bonds called are not redeemed when presented pursuant to the call.

Price

The Aggregate Purchase Price for the Bonds is _____ % of the aggregate principal amount of the Bonds.

Description of the Bonds

The Bonds will be issued in fully registered form, will be in the denomination of \$5,000 each or any integral

multiple of \$5,000 within a single maturity and will be dated the Closing Date, expected to be December 18, 2024. The Bonds will mature on December 1 of each year.

The Bonds will bear interest from the Closing Date, or the most recent interest payment date to which interest has been paid or duly provided for, whichever is later, at the rates per annum set forth above. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months, and will be payable semiannually on June 1 and December 1, commencing June 1, 2025, to the maturity or prior redemption of the Bonds. The Washington State Fiscal Agent, currently U.S. Bank Trust Company, National Association, will serve as registrar, paying agent and transfer agent for the Bonds. The true interest cost (the “TIC”) for the Bonds is _%.

EXHIBIT B

ISSUE PRICE CERTIFICATE

\$ _____
**SUMNER LIBRARY CAPITAL FACILITY AREA
 PIERCE COUNTY, WASHINGTON
 UNLIMITED TAX GENERAL OBLIGATION BONDS, 2024**

The undersigned, on behalf of D.A. Davidson & Co. (“Davidson”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (December 4, 2024), or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity

(c) *Issuer* means the Sumner Library Capital Facility Area Pierce County, Washington.

(d) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(e) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter, as defined in subsection (g) below. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is December 4, 2024.

(g) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

4. ***Pricing Certification.***

The Underwriter confirms that the arbitrage yield of the Bonds is ____% and that the weighted average maturity of the Bonds is _____ years.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Davidson’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Exemption and Nonarbitrage Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Hillis Clark Martin & Peterson P.S. in connection with

rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

D.A. Davidson & Co.

By: _____

Name: David Trageser, Managing Director

Dated: December 4, 2024

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES [AND THE INITIAL OFFERING
PRICES OF THE HOLD-THE-OFFERING PRICE MATURITIES]

\$ _____
SUMNER LIBRARY CAPITAL FACILITY AREA
PIERCE COUNTY, WASHINGTON
UNLIMITED TAX GENERAL OBLIGATION BONDS, 2024

Maturity (Dec. 1)	Principal Amount	Sales Price of General Rule Maturities (10% sold to Public) ¹
<hr/>		

- (1) Represents a percentage of the principal (or par) amount of the maturities of the Bonds.
(2) Priced to the call date of
(3) Term Bond

SCHEDULE B

COPY OF THE PRICING WIRE OR EQUIVALENT COMMUNICATION