

B-E SCHOOL BOARD
Questions and Answers
March 22, 2010

Legal Action

- Q. Is the Board going to take legal action against the appraiser?
A. The Board is actively looking into legal options.

Peterson/Pulver Property

- Q. What are the plans for the Peterson/Pulver property?
A. This property, along with other School District-owned properties, will be included in a comprehensive Capital Projects Plan that considers future B-ESD needs.
- Q. Will a school ever be built on the Peterson/Pulver property?
A. Based on legal opinion, non-agricultural use of the parcel would likely require the Legislature to amend the Growth Management Act. This would be a difficult path to pursue.
- Q. Why did the previous Board, in 2007, purchase the Peterson/Pulver property without a contingency clause?
A. The Board relied on the District's administration to provide thorough and reliable information. When the sellers made known they would not sell the property with a contingency clause, Superintendent Rick Jones, recommended its removal and the Board accepted this recommendation. The decision to purchase the Peterson/Pulver property was based on many factors including an appraisal report, the Burlington City Council Resolution supporting a school at that location, the application by the City of Burlington to Skagit County to expand its UGA that included the Peterson/Pulver property, and the understanding of the legal responsibility of cities and counties to work together to site schools.
- Q. What steps is the Board taking to prevent the errors that occurred in the Peterson/Pulver property acquisition from transpiring in the future?
A. The Board is developing a policy that will provide the Superintendent guidance to develop procedures and professional resources to ensure maximum protection to the District in future land acquisitions. The policy shall include guidance that provides professional review and research regarding issues related to zoning, municipalities' and county government comprehensive plans, Growth Management policies, floodplain, property infrastructure and market value that assures the property is suitable for the intended use.
- Q. If the District sells property, how can the proceeds be used?
A. Proceeds from selling property can be used for the acquisition of land or existing facilities, construction of buildings, purchase of equipment, conducting energy audits, making capital improvements, which are cost effective as determined by energy audits, and implementing technology systems. In addition, improvements to buildings and/or grounds, remodeling of buildings, and the replacement of roofs, carpets, and service systems are included in the Capital Projects Fund. They can also be used to retire a bond. Proceeds may not be used for general fund expenditures.

Future Non-Voted Debt

- Q. What steps is the Board taking to ensure non-voted debt obligations are not easily incurred in the future?
A. The Board has adopted a policy based on Representative Quall's legislative bill to address this issue.
- Q. Can the District not pay the non-voted debt?
A. The District is legally responsible to pay the debt. Bonds were sold. The District cannot default.

Future Bonds

- Q. After this bond, when will the School District run the next bond?

- A. The next bond request to the voters will not occur until after a comprehensive Capital Projects Plan, considering future B-ESD needs, is completed. The Board does not have plans to run another bond before the renewal of the Maintenance and Operations Levy in 2012.