

Action Item

Resolution of the Board of Education Ordering An Election and Establishing Specifications of the Election Order
(Prepared by Facilities/Operations Division)

WHEREAS, the Board of Education (the “Board”) of the San Bernardino City Unified School District (the “District”) desires to provide students with equal access to clean, safe and up-to-date classrooms, science labs, computer technology and vocational education programs that prepare students for college and the workforce; and

WHEREAS, the Board further desires to improve the quality of education and student achievement in its neighborhood schools by upgrading classrooms, computer learning classrooms, improving school libraries and renovating arts and music education classrooms so that children have the tools they need to learn and excel; and

WHEREAS, the Board wants to increase opportunities for high school vocational and career tech education such as technology skills training, so that those students who do not go to college have the opportunity to learn valuable job skills and get good-paying jobs when they graduate high school; and

WHEREAS, the District needs to install lighting, replace and fix fences and update security alarms to keep students safe during and after school and to protect our schools from gang members who break into schools, vandalize and steal equipment; and

WHEREAS, many of the District’s neighborhood schools are in need of basic repairs that include repairing and replacing leaky roofs, fire alarms, security and electrical systems or removing asbestos; and

WHEREAS, the State of California (the “State”) is unable to provide the District with enough money for the District to adequately maintain its educational facilities notwithstanding ongoing efforts to obtain such monies; and

WHEREAS, the Board believes it is in the best interest of the District to (i) continue to address facility improvements now before they become more pressing and more costly, and (ii) take advantage of current lower interest rates to free up funding to protect the quality of classroom instruction in schools that are safe and clean; and

WHEREAS, ongoing State budget cuts threaten the quality of local schools by forcing teacher layoffs, larger class sizes and deep cuts to instructional programs and the District’s only remedy is securing local funding that the State cannot take away; and

WHEREAS, the Board has received information regarding the possibility of a local bond measure and its bonding capacity; and

WHEREAS, a local measure will help provide funds that cannot be taken away by the State to upgrade aging schools, protect student safety, offset State budget cuts through increased efficiency and help the District to qualify for millions of dollars of State matching funds; and

WHEREAS, such measure will include mandatory taxpayer protections, including an independent citizens' oversight committee and mandatory audits to ensure funds are spent as promised; and

WHEREAS, the Board and District has solicited stakeholder and community input on school priorities from parents, teachers, staff, the community and civic leaders; and

WHEREAS, Proposition 46, approved by the voters of the State on June 3, 1986 ("Proposition 46"), amended Section 1(b) of Article XIII A of the California Constitution by adding a provision which exempts from the 1% of full cash value limitation, those ad valorem taxes used to pay for debt service of any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by voters voting on the proposition; and

WHEREAS, on November 7, 2000 the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act ("Proposition 39") which, as of its effective date, reduced the voter threshold for ad valorem tax levies used to pay for debt service or bonded indebtedness to 55% of the votes cast on a school district general obligation bond; and

WHEREAS, concurrent with the passage of Proposition 39, Chapter 1.5, Part 10, Division 1, Title 1 (commencing with Section 15264) of the Education Code (the "Act") became operative and established requirements associated with the implementation of Proposition 39; and

WHEREAS, the Board desires to make certain findings herein to be applicable to this election order and to establish certain performance audits, standards of financial accountability and citizen oversight which are contained in Proposition 39 and the Act; and

WHEREAS, the Board desires to authorize the submission of a proposition to the District's voters at an election to authorize the issuance of bonds to pay for certain necessary improvements and enhancements to District educational facilities; and

WHEREAS, the Board hereby determines, in accordance with Opinion No. 04-110 of the Attorney General of the State of California, the restrictions in Proposition 39 which prohibit any bond money from being wasted or used for inappropriate administrative salaries or other operating expenses of the District be strictly monitored by the District's Citizens' Oversight Committee; and

WHEREAS, pursuant to Education Code Section 15270, based upon a projection of assessed property valuation, the Board has determined that, if approved by voters, the tax rate levied to meet the debt service requirements of the bonds proposed to be issued will not exceed the Proposition 39 limits per year per \$100,000 of assessed valuation of taxable property; and

WHEREAS, Section 9400 et seq. of the Elections Code of the State of California (the "Elections Code") requires that a tax rate statement be contained in all official materials, including any ballot pamphlet prepared, sponsored or distributed by the District, relating to the election; and

WHEREAS, the Board desires to authorize the filing of a ballot argument in favor of the proposition to be submitted to the voters at the election; and

WHEREAS, pursuant to the California Elections Code, it is appropriate for the Board to request consolidation of the election with any and all other elections to be held on Tuesday, November 6, 2012, and to request that the San Bernardino County Registrar of Voters perform certain election services for the District;

NOW THEREFORE, BE IT RESOLVED that the San Bernardino City Unified School District Board of Education does hereby resolve, determine, and order as follows:

Section 1. Recitals. That all of the recitals set forth above, are true and correct.

Section 2. That the Board, pursuant to Education Code Sections 15100 et seq., 15264 et seq., and Government Code Section 53506, hereby requests the San Bernardino County Registrar of Voters to conduct an election under the provisions of Proposition 39 and the Act and submit to the electors of the District the question of whether bonds of the District in the aggregate principal amount of \$250,000,000 (the "Bonds") shall be issued and sold for the purpose of raising money for the purposes described in Exhibits "A" and "B" hereto. Both exhibits are directed to be printed in the voter pamphlet.

Section 3. That the date of the election shall be November 6, 2012.

Section 4. That the purpose of the election shall be for the voters in the District to vote on a proposition, a copy of which is attached hereto and marked Exhibit "A" and incorporated by reference herein, containing the question of whether the District shall issue the Bonds to pay for improvements to the extent permitted by such proposition. In compliance with Proposition 39 and the Act, the ballot propositions in Exhibits "A" and "B" are subject to the following requirements and determinations:

(a) the proceeds of the sale of the Bonds shall only be used for the purposes set forth in the ballot measure and not for any other purpose, including teacher and administrator salaries or other school operating expenses;

(b) that the Board, in establishing the projects set forth in Exhibit "B," evaluated the safety, enrollment trends, capacity, class size reduction and information technology needs of the District as well as the importance of the projects to student safety and achievement;

(c) that the Board will cause to be conducted an annual, independent performance audit to ensure that the Bond moneys get spent only for the projects identified in Exhibit "B" hereto;

(d) that the Board will cause an annual, independent financial audit of the proceeds from the sale of Bonds to be conducted until all of the Bond proceeds have been expended;

(e) that the Board will appoint a Citizens' Oversight Committee in compliance with Education Code Section 15278 no later than 60 days after the Board enters the election results in its minutes pursuant to Elections Code Section 15274; and

(f) that the tax levy authorized to secure the Bonds of this election shall not exceed the Proposition 39 limit per \$100,000 of taxable property in the District when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution.

Section 5. That the authority for ordering the election is contained in Education Code Sections 15100 et seq., 15264 et seq., and Government Code Section 53506.

Section 6. That the authority for the specifications of this election order is contained in Sections 5322 of the Education Code.

Section 7. That the San Bernardino County Registrar of Voters and the San Bernardino County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 6, 2012 within the District.

Section 8. That the Secretary of the Board is hereby directed to send a certified copy of this Resolution to the San Bernardino County Registrar of Voters no later than August 10, 2012.

Section 9. That the maturity of any Bonds issued pursuant to Section 15264 et seq. of the Education Code hereto shall have a maturity not exceeding twenty-five (25) years, and Bonds issued pursuant to Section 53506 of the Government Code shall have a maturity of not exceeding forty (40) years. The maximum rate of interest on any Bond shall not exceed the maximum rate allowed by Education Code Sections 15140 to 15143, as modified by Government Code Section 53531.

Section 10. That the Board requests the governing body of any such other political subdivision, or any officer otherwise authorized by law, to partially or completely consolidate such election and to further provide that the canvass be made by anybody or official authorized by law to canvass the returns of the election, and that the Board consents to such consolidation. The Superintendent is authorized to file a Tax Rate Statement and all appropriate ballot arguments and rebuttals with the Registrar of Voters.

Section 11. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of San Bernardino County is requested to permit the Registrar of Voters to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse San Bernardino County, such services to include the printing of the Full Text Ballot Proposition in the voter pamphlet, the publication of a Formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code) pursuant to the terms of Section 5363 of the Education Code and Section 12112 of the Elections Code.

Requester/Approver: Assistant Superintendent, Facilities/Operations

ADOPTED, SIGNED AND APPROVED this 7th day of August, 2012.

BOARD OF EDUCATION OF THE SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT

By: _____
Dr. Barbara Flores, Board President

Attest:

By: _____
Board Secretary

EXHIBIT A

San Bernardino City Unified School District Student Safety and School Repair Measure. “To make schools clean and safe and provide educational opportunities by repairing and replacing leaky roofs, deteriorating classrooms, fire alarms, security/electrical systems, removing asbestos, providing educational opportunities by updating classroom technology, science labs, and vocational education programs, and acquiring, constructing, repairing classrooms, sites, facilities and equipment shall San Bernardino City Unified School District issue \$250,000,000 bonds at legal rates, requiring annual audits, citizen oversight, no money for administrators’ salaries/pensions or Sacramento, keeping all funds local?”

Bonds - Yes

Bonds - No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 6, 2012

San Bernardino City Unified School District Student Safety and School Repair Measure. “To make schools clean and safe and provide educational opportunities by repairing and replacing leaky roofs, deteriorating classrooms, fire alarms, security/electrical systems, removing asbestos, providing educational opportunities by updating classroom technology, science labs, and vocational education programs, and acquiring, constructing, repairing classrooms, sites, facilities and equipment shall San Bernardino City Unified School District issue \$250,000,000 bonds at legal rates, requiring annual audits, citizen oversight, no money for administrators’ salaries/pensions or Sacramento, keeping all funds local?”

PROJECT LIST

The Board of Education of the San Bernardino City Unified School District is committed to **ensuring that every student learns in a classroom that is safe and clean.** To that end the Board evaluated the District’s urgent and critical facility needs, including school and student safety issues, enrollment trends, class size reduction, overcrowding, energy efficiency and computer technology, in developing the scope of projects to be funded. The Board concluded that if these needs are not addressed now, the problems will only become more pressing and expensive to address. **Therefore, in approving this Project List, the Board of Education determines that the District MUST:**

- (i) **Ensure that every student learns in a classroom that is safe and clean.**
- (ii) **Repair and replace leaky roofs.**
- (iii) **Repair and replace fire alarms, security and electrical systems and remove asbestos.**
- (iv) **Update classroom technology and science labs.**
- (v) **Adhere to specific financial accountability safeguards such as:**
 - (a) **SACRAMENTO IS PROHIBITED FROM TAKING ANY OF THE FUNDS RAISED.**
 - (b) **All expenditures are subject to annual independent financial audits.**
 - (c) **No funds can be used for administrators’ salaries and pensions.**
 - (d) **All funds will stay in the District and be subject to local control.**
 - (e) **An independent citizens’ oversight committee will be appointed to ensure that all funds are spent only as authorized.**

The Facilities Needs Assessment is on file at the District Superintendent’s Office and at the Facilities Department. It includes the following types of projects:

Neighborhood School Renovation, Modernization, and Upgrade Projects To Improve the Quality of Education

Goal and Purpose: By ensuring that all local schools get their fair share of funding to upgrade classrooms, computer learning, school libraries, arts/music education spaces, the District can be sure that children will have the tools they need to learn and excel:

- Add air conditioning to classrooms where it currently does not exist.
- **Repair, upgrade and replace worn-out and leaking roofs.**
- Repair and replace deteriorating classrooms and science labs.
- Replace existing wiring systems to meet current electrical and accessibility codes and increase capacity.
- **Remove asbestos and other hazardous materials.**
- Install additional electrical service capacity to improve computer technology and Internet access.
- **Expand after-school space for tutoring, mentoring and recreational programs that keep kids away from gangs, drugs and crime.**
- Provide updated computer labs.
- Replace existing plumbing and sewer systems to meet current codes, including the elimination of lead-containing fixtures.
- **Convert space to serve as permanent libraries at schools that do not currently have them.**
- Improve handicap accessibility.

School Safety and Energy Efficiency School Projects

Goal and Purpose: The District must protect its schools from gang members who break into schools, vandalize and steal equipment and tag walls with graffiti. Unless the District replaces outdated security alarms, inadequate fences and limited safety lighting, it can't keep them out. To keep students safe during and after school, projects such as proper lighting, fences and security alarms are needed:

Student Safety

- Repair and replace security and electrical systems, such as security lighting, fencing, gates and classroom door locks.
- Upgrade fire alarm systems including fire safety equipment and sprinklers to make students safe in the event of an emergency.
- Upgrade schools to meet handicap accessibility requirements.
- Remove hazardous materials like asbestos and lead paint from older school sites.
- **Increase after-school program space to reduce juvenile violence.**
- Replace old playground equipment with new safer equipment.
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Energy Efficiency – Returning Savings to the Classroom

- Install energy efficient lighting systems that conserve electricity and save on costly utility bills.
- Replace older heating, ventilation, air conditioning and lighting systems with building code compliant, energy efficient systems which will save money on operating costs, money can be used directly for classroom instruction.

District-Wide Wiring and Instructional Technology For Effective Learning Environment Projects

Goal and Purpose: To improve both current instruction methods and to expand job training programs by updating technology:

- Update classroom technology.
- Provide and maintain up -to-date technology, data and communication equipment.
- Upgrade and expand computer technology and Internet access.
- Upgrade and replace computers, instructional equipment and hardware and software systems.
- Upgrade electrical systems and wiring.

Classroom Improvements To Support Vocational Education

Goal and Purpose: To increase opportunities for high school vocational and career tech education such as technology skills training so that those students who do not go to college have the opportunity to learn valuable job skills and get good paying jobs when they graduate high school:

- Expand program and instructional space to allow programs focused on training students for jobs in health, technology, engineering and other professions.
- Upgrade technology and equipment used in job training programs.
- Provide local match for participating in the State funded Career Tech program.
- Update vocational education facilities.

* * *

Listed building, repair and rehabilitation projects and upgrades will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the listed repair and construction projects stated above, the School Project List also include the acquisition of a variety of instructional, maintenance and operational equipment, including the reduction or retirement of outstanding lease obligations, the construction of additional schools, if necessary to serve students and staff, the acquisition of land, the remodeling of administrative support spaces,

installation of signage and fencing, payment of the costs of preparation of all facility planning, facility studies, assessment reviews, facility master plan preparation and updates, environmental studies (including environmental investigation, remediation and monitoring), design and construction documentation, the acquisition of outstanding ground leases, and temporary housing of dislocated District activities caused by construction projects. In addition to the projects listed above, the repair and renovation of each of the existing school facilities may include, but not be limited to, some or all of the following: renovation of student and staff restrooms; repair and replacement of heating and ventilation systems; upgrade of facilities for energy efficiencies; repair and replacement of worn-out and leaky roofs, windows, walls doors and drinking fountains; installation wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; acquire vehicles; repair and replacement of fire alarms, emergency communications and security systems; resurfacing or replacing of hard courts, turf and irrigation systems and campus landscaping; build new physical education facilities; upgrade or replace inadequate libraries, multi-purpose rooms and kitchens; upgrade locker; install/upgrade lunch shelters, artificial turf, and bleachers; expand parking, student drop-off areas; install solar panels to reduce utility costs; install interior and exterior painting and floor covering; replacement of portable classrooms; installation of covered walkways or shelters; addition of administrative support spaces, performing arts centers; repair rubberized play apparatus surfaces; demolition; and construction of various forms of storage and support spaces; upgrade classrooms; repair, upgrade and install interior and exterior lighting systems, replace water and sewer lines and other plumbing system, replace outdated security fences and security systems. The allocation of bond proceeds will be affected by the District's receipt of State matching funds and the final costs of each project. In the absence of State matching funds, which the District will aggressively pursue to reduce the District's share of the costs of the projects, the District will not be able to complete some of the projects listed above. Some projects may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. Possible Joint-use type projects could include any of the following at various school sites including libraries, multi-purpose rooms, media centers/or labs, health clinics, playfields, parking, art and athletic facilities, facilities for pre and after school programs, assembly rooms, science labs, career technical facilities, classrooms, computer or technical labs, community meeting facilities, energy-efficient, renewable and/or sustainable facility projects. The budget for each project is an estimate and may be affected by factors beyond the District's control. The final cost of each project will be determined as plans and construction documents are finalized, construction bids are received, construction contracts are awarded and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating more enhanced and operationally efficient campuses. Necessary site preparation/restoration may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to bond projects. Bond proceeds shall only be expended for the specific purposes identified herein. The

District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.

NO ADMINISTRATOR SALARIES. PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE USED ONLY FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION, OR REPLACEMENT OF SCHOOL FACILITIES, INCLUDING THE FURNISHING AND EQUIPPING OF SCHOOL FACILITIES, AND NOT FOR ANY OTHER PURPOSE, INCLUDING TEACHER AND SCHOOL ADMINISTRATOR SALARIES AND OTHER OPERATING EXPENSES.

FINANCIAL ACCOUNTABILITY: In accordance with education code section 15272, the Board of Education will appoint a citizens' oversight committee and conduct annual independent audits to assure that funds are spent only on district projects and for no other purpose. The expenditure of bond money on these projects is subject to stringent financial accountability requirements. By law, performance and financial audits will be performed annually, and all bond expenditures will be monitored by an independent citizens' oversight committee to ensure that funds are spent as promised and specified. The citizens' oversight committee must include, among others, representation of a bona fide taxpayers association, a business organization and a senior citizens organization. No district employees or vendors are allowed to serve on the citizens' oversight committee.