

RESOLUTION NO. 16-31

RESOLUTION OF THE BOARD OF EDUCATION OF THE SAN LEANDRO UNIFIED SCHOOL DISTRICT ORDERING AN ELECTION TO AUTHORIZE THE ISSUANCE OF SCHOOL BONDS, ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS OCCURRING ON NOVEMBER 8, 2016

WHEREAS, the San Leandro Unified School District (the "District") is committed to providing quality education to its students; and

WHEREAS, District facilities need repairs, upgrades, modernization and safety improvements in order to provide the education District students deserve in a safe and modern environment; and

WHEREAS, a local funding source is needed to enable the District to provide said facilities for its present and future students; and

WHEREAS, the Board of Education of the District (the "Board") has determined that it is necessary to address the foregoing concerns, among others, to ensure that its schools are upgraded, repaired, improved and equipped; and

WHEREAS, on November 7, 2000, the voters of the State of California approved Proposition 39 ("Proposition 39"), which amended Articles XIII A of the California Constitution ("Article XIII A") to allow for the levy of *ad valorem* property taxes for the payment of bonded indebtedness of a school district, community college district or county office of education approved by at least 55 percent of the voters voting on such proposition; and

WHEREAS, upon the passage of Proposition 39, the Strict Accountability in Local School Construction Bond Act of 2000, being California Education Code Section 15264 and following (the "Act"), became operative; and

WHEREAS, in order to address the facilities needs of the District as described herein, in the judgment of the Board, it is advisable to call an election pursuant to the Act to submit to the electors of the District the question whether bonds of the District shall be issued and sold pursuant to the authority of Article XVI Section 18 of the California Constitution and Article XIII A (together with the Act, the "Law") for the purposes authorized by the Law and as described in Appendix A hereto (the "Full Text of Bond Measure"); and

WHEREAS, under the Act, the election may be ordered at a primary or general election, a regularly scheduled local election at which all of the electors of the District are entitled to vote, or a statewide special election, upon a two-thirds vote of the Board; and

WHEREAS, the Board desires to call an election in the District pursuant to the Law on November 8, 2016, which is the date of the statewide general election, and pursuant to Education Code Section 15121 and Elections Code Section 10400 and following, to request consolidation with any and all other elections held in the District on such date, and to request

the Alameda County Registrar of Voters (the "County Registrar") to perform election services for the District;

NOW, THEREFORE, THE BOARD OF EDUCATION OF THE SAN LEANDRO UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Call for Election. The Board hereby orders an election and submits to the electors of the District the question of whether general obligation bonds of the District shall be issued and sold in the maximum principal amount of \$104,000,000 for the purposes described in the ballot measure approved under Section 3 and attached hereto as Appendix A (Full Text of Bond Measure) and Appendix B (Abbreviated Text of Bond Measure), and paying all costs incident thereto. This Resolution constitutes the order of the District to call such election and shall constitute the "specifications of the election order" pursuant to Education Code Section 5322.

Section 2. Election Date. The date of the election shall be November 8, 2016, and such bond election shall be held solely within the boundaries of the District. The boundaries of the District have not changed since the District's last election.

Section 3. Purpose of Election; Ballot Measure. The purpose of the election shall be for the voters in the District to vote on a bond measure, a full copy of which is attached hereto as Appendix A and marked "Exhibit A – Full Text of Bond Measure" (the "Full Text of the Measure"), containing the question of whether the District shall issue general obligation bonds for the purposes stated therein, together with the accountability requirements of Article XIII A and the requirements of Section 15272 of the Act. The Full Text of the Measure, which commences with the heading "FULL TEXT OF BOND MEASURE" and includes all of the text thereafter on Exhibit A, shall be printed in the voter information pamphlet provided to voters, with such measure designation as is assigned to the measure by the County elections official. As required by Education Code Section 5322 and Elections Code Section 13247, the abbreviated form of the measure to appear on the ballot is attached hereto as Appendix B and is marked as "Exhibit B – Abbreviated Form of Bond Measure." The President of the Board and the Superintendent are hereby separately authorized and directed to make any changes to the text of the measure as described herein to conform to any requirements of the Law or the County Registrar.

Section 4. Authority for Election. The authority for ordering the election is contained in Section 15264 *et. seq.* of the Education Code, Article XVI Section 18(b) of the California Constitution and paragraph (b) subsection (3) of Article XIII A. The authority for the specification of this election order is contained in Section 5322 of the Education Code.

Section 5. Proceeds for School Facilities Projects. The Board certifies that the proceeds from the sale of the bonds will be used only for the purposes specified in Article XIII A, Section 1(b)(3) as further specified in Appendix A, and not for any other purpose, including teacher and administrator salaries and other school operating expenses. Further, as required by Article XIII A, the Board hereby certifies that it has evaluated safety, class size and information technology needs in developing the list of school facilities projects set forth in Appendix A.

Section 6. Covenants of the Board upon Approval of the Bonds by the Electorate; Accountability Measures. As required by Article XIII A, Section 15278 of the Act, and Government Code Section 53410, in the event 55 percent of the voters voting in the District approve of the Bonds, the Board shall:

- (a) conduct an annual, independent performance audit to ensure that the funds have been expended only on the projects listed in Exhibit A;
- (b) conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for the school facilities projects listed in Exhibit A;
- (c) establish and appoint members to an independent citizens' oversight committee in accordance with Sections 15278, 15280, and 15282 of the Act;
- (d) apply the Bond proceeds only to the specific purposes stated in the ballot proposition;
- (e) cause the creation of accounts into which bond proceeds shall be deposited; and
- (f) cause the preparation of an annual report pursuant to Government Code Sections 53410 and 53411.

Section 7. State Matching Funds. The Board hereby finds that some of the projects identified on the Full Text of Measure will require state matching funds for completion. As such, the statement required by Education Code Section 15122.5 has been included in the Full Text of Measure.

Section 8. Delivery of this Resolution. The Clerk of the Board is hereby directed to send a copy of this Resolution to (1) the Alameda County Superintendent of Schools, (2) the County Registrar, and (3) the Alameda County Clerk of the Board of Supervisors (the "Clerk of the Board") for purposes of consolidation pursuant to Elections Code Section 10403. The Resolution shall be received by the County Registrar and the Clerk of the Board no later than 88 days prior to the election date, unless otherwise permitted by law.

The County Registrar is hereby requested to print the full text of the ballot measure in the ballot materials as it appears on Appendix A hereto and to provide all required notices of the election and other notices related thereto.

Section 9. Consolidation of Election; Request to Provide Services. The County Registrar and the Alameda County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 8, 2016 within the District. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of Alameda County is requested to permit the County Registrar to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse Alameda County in full from District general funds upon presentation of a bill from the County, such services to include 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).

Section 10. Ballot Arguments; Tax Rate Statement. As provided in Elections Code Section 9501, any and all members of this Board are hereby authorized to act as an author of any ballot argument prepared in connection with the election, including a rebuttal argument. In addition, pursuant to Elections Code Section 9401, a tax rate statement must be prepared and filed with the County Registrar and included in the sample ballot. The President of the Board, the Superintendent or any written designee of the foregoing, are hereby authorized to finalize and execute a tax rate statement pursuant to Elections Code 9401 in substantially the form on file with the Superintendent, and to execute any other document required with respect to the election, and to perform all acts necessary to place the bond measure on the ballot.

Section 11. Maturity Limit of Bonds. The Bonds may be issued in series by the District from time to time, and each series of Bonds shall mature not more than the legal limit at the time of such issuance thereof. The Bonds shall be issued under the Act, under the provisions of Section 53506 *et seq.* of the California Government Code, or under any other provision of law authorizing the issuance of general obligation bonds by school districts.

Section 12. Engagement of Professional Services. The firm of C Financial Investment, Inc. dba California Financial Services is hereby appointed to serve as financial advisor and the firm of Jones Hall, A Professional Law Corporation, a nationally recognized bond counsel firm, is hereby appointed to serve as bond counsel and disclosure counsel, both in connection with the bond election and, if successful, subsequent bond issuances. The Superintendent is hereby authorized and directed to execute agreements with the such firms in the forms on file with the Superintendent.

Section 13. Effective Date. This resolution shall take effect on and after its adoption.

* * * * *

The foregoing Resolution was adopted by the Board of Education of the San Leandro Unified School District of Alameda County, being the Board authorized by law to make the designations therein contained by the following vote, on June 21, 2016.

Adopted by the following votes: *[5 'yes' votes required for adoption]*

AYES:

NOES:

ABSENT:

ABSTAIN:

Attest:

President of the Board

Clerk/Secretary to the Board

APPENDIX A

FULL TEXT OF BOND MEASURE

INTRODUCTION

“To repair leaky roofs, faulty plumbing and electrical systems; improve heating and ventilation; improve student safety by upgrading security lighting, emergency communications, fire alarms and sprinklers; upgrade classrooms, libraries and science labs; replace deteriorating portables; and provide facilities and equipment needed to support instruction in math, science, engineering, arts and technology; shall San Leandro Unified School District issue \$104,000,000 in bonds at legal interest rates, with citizens’ oversight, annual audits and all money benefiting San Leandro children?”

BOND AUTHORIZATION

By approval of this measure by at least 55 percent of the registered voters voting on the measure, the District will be authorized to issue and sell bonds of up to \$104,000,000 in aggregate principal amount at interest rates not to exceed legal limits and to provide financing for the specific types of school facilities projects listed in the Bond Project List described below, subject to all the accountability requirements specified below.

ACCOUNTABILITY REQUIREMENTS

The provisions in this section are specifically included in this measure in order that the voters and taxpayers in the District may be assured that their money will be spent wisely. Expenditures to address specific facilities needs of the District will be in compliance with the requirements of Article XIII A, Section 1(b)(3), of the State Constitution and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Education Code Sections 15264 and following.)

Evaluation of Needs. The School Board has identified detailed facilities needs of the District and has determined which projects to finance from a local bond. The School Board hereby certifies that it has evaluated safety, class size reduction, enrollment growth, and information technology needs in developing the Bond Project List shown below.

Independent Citizens’ Oversight Committee. Following approval of this measure, the Board of Education will establish an Independent Citizens’ Oversight Committee, under Education Code Sections 15278 and following, to ensure bond proceeds are expended only on the types of school facilities projects listed below. The committee will be established within 60 days of the date when the results of the election appear in the minutes of the School Board.

Performance Audits. The School Board will conduct annual, independent performance audits to ensure that the bond proceeds have been expended only on the school facilities projects listed below.

Financial Audits. The School Board will conduct annual, independent financial audits of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed below.

Government Code Accountability Requirements. As required by Section 53410 of the Government Code, (1) the specific purpose of the bonds is set forth in this Full Text of the Measure, (2) the proceeds from the sale of the bonds will be used only for the purposes specified in this measure, and not for any other purpose, (3) the proceeds of the bonds, when and if issued, will be deposited into a building fund to be held by the Alameda County Treasurer, as required by the California Education Code, and (4) the Superintendent of the District shall cause an annual report to be filed with the Board of Education of the District not later than January 1 of each year, which report shall contain pertinent information regarding the amount of funds collected and expended, as well as the status of the projects listed in this measure, as required by Sections 53410 and 53411 of the Government Code.

NO TEACHER OR ADMINISTRATOR SALARIES

Proceeds from the sale of bonds authorized by this measure shall be used only for the purposes specified in Article XIII A, Section 1(b)(3), those being for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, and the acquisition or lease of school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

STATE MATCHING FUNDS

The following statement is included in this measure pursuant to Education Code Section 15122.5: Approval of this measure does not guarantee that the proposed project or projects that are the subject of bonds under this measure will be funded beyond the local revenues generated by this measure. The District's proposal for the project or projects described below may assume the receipt of matching state funds, which, if available, could be subject to appropriation by the Legislature or approval of a statewide bond measure.

[continued on next page]

BOND PROJECT LIST

Scope of Projects. Bond proceeds will be expended on the modernization, renovation, expansion, acquisition, construction/reconstruction, rehabilitation, and/or replacement of school facilities of the San Leandro Unified School District, including the furnishing and equipping of such school facilities, at the following school sites and properties:

Garfield Elementary School	James Madison Elementary School
Jefferson Elementary School	James Monroe Elementary School
McKinley Elementary School	Roosevelt Elementary School
Washington Elementary School	Woodrow Wilson Elementary School
Bancroft Middle School	John Muir Middle School
San Leandro High School and Karematsu Campus	

School Facility Project List. The items presented on the following list provide are the types of projects to be financed with voter-approved bond proceeds. Specific examples included on this list are not intended to limit the generality of the broader types of projects described and authorized by this measure. The types of projects authorized are:

- Repair or replace deteriorating and leaky roofs
- Repair and upgrade outdated and inadequate plumbing and electrical systems
- Repair, replace or upgrade outdated and inadequate heating, ventilation and air-conditioning systems
- Acquire, install and/or upgrade campus security systems, including smoke detectors, fire alarms, sprinkler systems, school communication systems and lighting
- Modernize, renovate, construct and/or expand aging and outdated classrooms, libraries, computer and science labs and other school facilities to meet 21st century educational standards, including providing updated furnishings and other equipment, to facilitate a modern learning environment and support student achievement in math, science, engineering, technology and skilled trades
- Replace deteriorating and aging portable classrooms
- Make health and safety improvements, such as installing necessary seismic reinforcements and replacing aging building materials, including removal of hazardous materials identified either prior to or during construction
- Improve student access to computers and modern technology, including providing necessary infrastructure, hardware, software, computers, devices and other modern instructional equipment
- Modernize, renovate and construct restrooms
- Make energy efficiency upgrades and improvements, such as windows, doors, lighting and lighting control systems, roofing, insulation, and floor coverings

- Upgrade and/or replace necessary infrastructure such as sewer, water, electrical and utility systems
- Acquire land, rights of ways, or other interests in real property, including the leasing of real property, to provide adequate school and related facilities to serve school sites

Each of the bond projects described in this Bond Project List include the costs of furnishing and equipping such facilities, and all costs incidental but directly related to the specific projects described above. Examples of such costs include, but are not limited to: costs of design, engineering, architect and other professional services, inspections, site preparation, utilities, landscaping, construction management and other planning and permitting, legal, accounting and similar costs; independent annual financial and performance audits; a customary construction contingency; demolition and disposal of existing structures; rental or construction of storage facilities and other space on an interim basis for materials and other equipment and furnishings displaced during construction; costs of relocating facilities and equipment as needed in connection with the projects; interim classrooms and facilities for students, administrators, and school functions, including modular facilities; federal and state-mandated safety upgrades; addressing unforeseen conditions revealed by construction/modernization and other necessary improvements required to comply with existing building codes, including the Field Act; access requirements of the Americans with Disabilities Act; costs of the election; bond issuance costs; and project administration during the duration of such projects, as permitted by law.

The scope and nature of any of the specific projects described above may be altered by the District as required by unforeseen conditions that may arise during the course of design and construction. In the event that a modernization or renovation project will result in higher costs than relocation and construction, this bond measure authorizes land acquisition, relocation and reconstruction, and all costs relating thereto, for said reasons or based on other considerations deemed in the best interest of the District by the Governing Board. In addition, this measure authorizes the acquisition of real property required to expand or provide school facility projects at the listed sites, and joint-use projects with other public entities or nonprofits. In addition, authorized projects include paying and/or prepaying interim financing for said projects such as bond anticipation notes, and includes prepayment of lease payments to acquire title to temporary school facilities previously financed.

Approval of the District's bond measure does not guarantee that all of the identified projects within this Bond Project List will be funded beyond what can be completed with local funds generated by the bond measure. The District plans to pursue funds from the State of California, if available, to complete certain of the identified facilities projects.

The order in which school facilities projects are listed in the Project List does not suggest an order of priority. Project priorities will be determined by the Governing Board. The District is unable to anticipate all unforeseen circumstances which may prevent some of the projects listed above from being undertaken or completed.

APPENDIX B

ABBREVIATED FORM OF BOND MEASURE*

To repair leaky roofs, faulty plumbing and electrical systems; improve heating and ventilation; improve student safety by upgrading security lighting, emergency communications, fire alarms and sprinklers; upgrade classrooms, libraries and science labs; replace deteriorating portables; and provide facilities and equipment needed to support instruction in math, science, engineering, arts and technology; shall San Leandro Unified School District issue \$104,000,000 in bonds at legal interest rates, with citizens' oversight, annual audits and all money benefiting San Leandro children?

Bonds—Yes

Bonds—No

**As required pursuant to Education Code Section 5322 and Elections Code Section 13247.*

TAX RATE STATEMENT

RECEIVED
Alameda County

San Leandro Unified School District Bond Measure ____

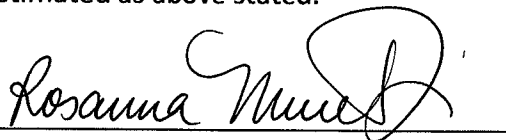
JUL 06 2016

To: The voters voting in the November 8, 2016 election on the question of the issuance of \$104,000,000 General Obligation Bonds of the Sonoma County Junior College District. *Reg. of Voters*

You are hereby notified in accordance with Section 9401 of the Elections Code of the State of California of the following:

1. The best estimate from official sources of the tax rate which would be required to be levied to fund principal and interest payments during the first fiscal year after the first sale of bonds (Fiscal Year 2017-2018), based on assessed valuations available at the time of the election and taking into account estimated future growth, is the following: \$.03620 per \$100 of assessed valuation, which equates to \$36.20 per \$100,000.
2. The best estimate from official sources of the tax rate which would be required to be levied to fund principal and interest payments during the first fiscal year after the last sale of bonds (Fiscal Year 2023-24) based on assessed valuations available at the time of the election and taking into account estimated future growth, is as follows: \$.03620 per \$100 of assessed valuation, which equates to \$36.20 per \$100,000.
3. The best estimate from official sources of the highest tax rate which would be required to be levied to fund principal and interest payments on the bonds and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election and taking into account estimated future growth, is as follows: \$.03620 per \$100 of assessed valuation, which equates to \$36.20 per \$100,000 in every year.
4. The best estimate of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold is approximately \$225 million based on estimates of future bond interest rates and projected assessed value growth rates.

The attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only. The actual tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The date of sale and the amount of bonds sold at any given time will be determined by the District based on its need for construction funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of sale. Actual future assessed valuations will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process. Accordingly, the actual tax rates and the years in which such rates are applicable may vary from those presently estimated as above stated.



Rosanna Mucetti, Ed.D.
Deputy Superintendent
San Leandro Unified School District