

RESOLUTION NO. 16-22

RESOLUTION OF THE BOARD OF TRUSTEES OF THE LEMOORE UNION HIGH SCHOOL DISTRICT ORDERING AN ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER

WHEREAS, the Board of Trustees (the “Board”) of the Lemoore Union High School District (the “District”) has determined that high school facilities within the District need to be acquired, constructed, improved, and equipped in a fiscally prudent manner to enable District to enhance the educational opportunities of its students and prepare them for college and future careers; and

WHEREAS, the Board believes that, in order improve the quality of education, and provide safe and healthy learning environments for students, basic repairs to our schools continue to be needed, include repairing of leaky roofs and windows, providing safe drinking water, removing asbestos and lead paint, upgrading plumbing and water systems, and updating instructional technology;

WHEREAS, the State of California (the “State”) is not providing the District with enough funding for the District to adequately maintain its educational facilities and academic programs; and

WHEREAS, the Board has concluded that the District’s only remedy to avoid undermining its educational programs is to secure 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, and help the District to qualify State matching funds; 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, the Board determines that all funds from this measure shall be controlled locally, and be subject to mandatory taxpayer protections, including an independent citizens’ oversight committee and audits to ensure funds are spent properly; and

WHEREAS, on November 7, 2000, the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act (“Proposition 39”) which 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 Education Code Section 15264 (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 that 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 that, 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 shall be monitored strictly 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, Elections Code Section 9400 *et seq.* requires that a tax rate statement be contained in all official materials relating to the election, including any ballot pamphlet prepared, sponsored, or distributed by the District; 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 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 8, 2016, and to request the Kings County Registrar of Voters to perform certain election services for the District;

NOW THEREFORE, THE BOARD OF TRUSTEES OF THE LEMOORE UNION HIGH SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the Board, pursuant to Education Code Sections 15100 *et seq.* (including Sections 15300 *et seq.*), 15264 *et seq.*, and Government Code Section 53506, hereby requests the Kings County Registrar of Voters to conduct an election under the provisions of the 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 \$24,000,000 (the "Bonds") shall be issued and sold for the purpose of raising money for the purposes described in Exhibit A hereto.

Section 2. That the date of the election shall be November 8, 2016.

Section 3. 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", incorporated by reference herein, and 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 Exhibit "A" and "B" are subject to the following requirements and determinations:

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

(b) that the Board, in establishing the projects set forth in Exhibit “B”, evaluated the safety, class size reduction, classroom, educational, and information technology within the District, as well as the importance of the projects to student achievement and high quality instruction;

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

(d) that the Board shall 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 cause the appointment of 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 Education Code Section 15274. The Citizens’ Oversight Committee shall consist of at least seven (7) members and at no time consist of less than seven (7) members, with the possible exception of brief periods to fill any unexpected vacancies. The Citizens’ Oversight Committee may not include any employee or official of the District or any vendor, contractor or consultant of the District. The Citizens’ Oversight Committee shall include all of the following: One (1) member who is active in a business organization representing the business community located within the District; One (1) member who is active in a senior citizens’ organization; One (1) member who is active in a bona fide taxpayer association; One (1) member who is a parent of a child in the District schools; One (1) member is both a parent of a child in the District schools and active in a school site council or PTA. In furtherance of its specifically enumerated purposes, the Citizens’ Oversight Committee may engage in any of the following activities relating solely and exclusively to the expenditure of the Proposition 39 bond proceeds:

(i) Inspect District facilities and grounds to ensure that Proposition 39 bond proceeds are expended in compliance with applicable law;

(ii) Receive and review copies of all deferred maintenance proposals or plans developed by the District;

(iii) Review efforts of the District to maximize Proposition 39 bond revenues by implementing cost-saving programs;

(iv) Receive and review copies of the annual, independent financial and performance audits performed by independent consultant(s);

(v) Receive from the Board, within three months of the District receiving the above-described audits, responses to any and all findings, recommendations, and concerns addressed in said audits, and review said responses; and

(f) that the tax levy authorized to secure the Bonds of this election shall not exceed the Proposition 39 limits 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 4. 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 5. That the authority for the specifications of this election order is contained in Education Code Section 5322.

Section 6. That the Kings County Registrar of Voters and the Kings 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 Elections Code Section 10403 the Board acknowledges that the consolidation election will be held and conducted in the manner prescribed in Elections Code Section 10408.

Section 7. That the Secretary of the Board is hereby directed to deliver a certified copy of this Resolution to the Kings County Registrar of Voters no later than August 12, 2016.

Section 8. That any Bonds issued pursuant to Education Code Section 15264 *et seq.* hereto or pursuant to Government Code Section 53506. 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 9. 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 of the returns of the election be made by anybody or official authorized by law to canvass such returns, and that the Board consents to such consolidation. The Board further authorizes the submission of a tax rate statement and primary and rebuttal arguments, as appropriate, to be filed with the Kings County Registrar of Voters by the established deadlines.

Section 10. Pursuant to Education Code Section 5303 and Elections Code Section 10002, the Board of Supervisors of Kings County is requested to permit the Registrar of Voters to render all services specified by Elections Code Section 10418 relating to the election, for which services the District agrees to reimburse Kings 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 Elections Code Section 9401) pursuant to the terms of Education Code Section 5363 and Elections Code Section 12112.

ADOPTED, SIGNED AND APPROVED this 9th day of June, 2016.

BOARD OF TRUSTEES OF THE LEMOORE UNION
HIGH SCHOOL DISTRICT

By _____
Guadalupe Solis, President

Attest:

John Droogh, Clerk

EXHIBIT A

“LEMOORE UNION HIGH SCHOOL DISTRICT SCHOOL REPAIR MEASURE: To repair/upgrade high school facilities and prepare students for college/careers by repairing outdated classrooms, vocational/ career education facilities, restrooms, plumbing, leaky roofs, asbestos/lead paint, upgrading school safety, heating/air conditioning, updating classroom technology, wiring, science labs, ensuring safe drinking water, repairing, constructing/ acquiring classrooms, facilities/sites/equipment, shall Lemoore Union High School District issue \$24,000,000 in bonds at legal rates, requiring audits, citizens’ oversight and no money for administrator salaries or pensions?

Bonds – Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE LEMOORE UNION HIGH SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 8, 2016

The following is the full proposition presented to the voters by the Lemoore Union High School District.

“LEMOORE UNION HIGH SCHOOL DISTRICT SCHOOL REPAIR MEASURE: To repair/upgrade high school facilities and prepare students for college/careers by repairing outdated classrooms, vocational/ career education facilities, restrooms, plumbing, leaky roofs, asbestos/lead paint, upgrading school safety, heating/air conditioning, updating classroom technology, wiring, science labs, ensuring safe drinking water, repairing, constructing/ acquiring classrooms, facilities/sites/equipment, shall Lemoore Union High School District issue \$24,000,000 in bonds at legal rates, requiring audits, citizens’ oversight and no money for administrator salaries or pensions?”

PROJECT LIST

The Board of Trustees of the Lemoore Union High School District is committed to improving the quality of education and providing a modern learning environment in local schools with safe, secure and upgraded classrooms which keep pace with 21st Century technologies and learning standards. To that end, in developing the scope of projects to be funded, the Board evaluated the District’s urgent and critical facility needs, including safety issues, class size, and computer and information technology, and also prepared a Facility Master Plan presented to the Board of Trustees on May 4, 2016 which is incorporated herein in its entirety. The District conducted a facilities evaluation and received public input in developing this Project List. Teachers, staff, community members and the Board have prioritized key health and safety projects so that the most critical facility needs are addressed.

The Project List includes the types of upgrades and improvements described below:

Basic School Repair and Upgrade Projects

- Repair or replace leaky roofs.
- Make health and safety improvements, including fire alarms and lighting.
- Upgrade library and library technology.
- Improve student access to computers and modern technology.
- Construct new or update outdated classrooms, restrooms, and school facilities.
- Modernize and construct facilities on the Ag Farm.
- Upgrade water, sewer and plumbing systems.
- Remove asbestos and lead paint.
- Ensure safe drinking water for students.

* * *

The listed projects 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 projects stated above, the Project List also includes the acquisition of a variety of instructional, maintenance and operational equipment, the reduction or retirement of outstanding lease obligations and interim or bridge funding incurred to advance fund projects from the Project List; 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, 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: repair and replace heating/boiler, plumbing, gas, water/sewer, drainage and ventilation systems; renovate student and staff restrooms; acquire facilities for educational and administrative purposes; improve outdoor learning spaces and shade structures; upgrade of facilities for energy conservation or to increase use of renewable energy sources; repair and replace worn-out roofs, windows, walls, doors, doorframes and drinking fountains; improve school facilities for disability access; install or upgrade wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; upgrade or construct classrooms and support facilities, including administrative, physical education, warehousing, wood shop, engineering, cafeteria, food services, multi-purpose rooms, auditorium, science building, maintenance yards; renovate Jamison High School; repair and replace fire alarms, emergency communications, intercoms, public announcement, EMS, and security systems; resurface or replace hard courts, turf and drainage/irrigation systems and campus landscaping; improve or expand parking and traffic circulation flow; enhance fire and maintenance access roads; interior and exterior painting and floor covering; upgrade pools; construct various forms of storage and support spaces; upgrade classrooms; repair, upgrade or install interior and exterior lighting systems; improve or construct gymnasium, locker rooms, weight room, fitness labs, athletic fields/stadiums/courts, stadium restrooms and concession areas; improve handicapped accessibility; replace outdated security fences and security systems, provide indoor space for assemblies, physical education or for rainy day lunch. The upgrading of technology infrastructure includes, but is not limited to, computers, LCD projectors, portable interface devices, servers, racks, wiring, switches, routers, modules, sound projection systems, laser printers, digital white boards, document projectors, upgrade voice-over-IP, call manager and network security/firewall, wireless technology systems and other miscellaneous equipment. The allocation of bond proceeds will be affected by the final costs of each project. The District may not be able to complete some of the projects listed above. The budget for each project is an estimate and may be affected by factors beyond the District's control. Some projects throughout the District, such as gyms, fields and performing arts facilities, may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. 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. The allocation of bond proceeds may be affected by the District's receipt of State matching funds and the final costs of each project. The allocation of bond proceeds may be affected by the District's receipt of State matching funds and the final costs of each project. 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 or geological stabilization 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.

FISCAL ACCOUNTABILITY: IN ACCORDANCE WITH EDUCATION CODE SECTION 15272, THE BOARD OF TRUSTEES 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.

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.