

RESOLUTION NO. _____

RESOLUTION OF THE GOVERNING BOARD OF CORONADO
UNIFIED SCHOOL DISTRICT ORDERING AN ELECTION, AND
ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER

WHEREAS, the Governing Board (the “Board”) is committed to maintaining the quality of education in local public schools by continuing to fund advanced programs in math, science, technology and the arts; and

WHEREAS, the Board has determined that local neighborhood schools within the Coronado Unified School District (the “District”) need to be provided with facilities and equipment to enable the District to provide career and technology education classes so students are prepared for college and good-paying jobs in fields like science, technology and skilled trades; and

WHEREAS, the Board believes that the District must maintain and repair classrooms, facilities and equipment, as needed, so that all facilities and campuses are clean and well-maintained; and

WHEREAS, the Board believes it is a wise investment to (i) continue to address facility improvements now before they become more pressing and more costly, and (ii) protect the quality of our schools, the quality of life in our community and the value of our homes; and

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

WHEREAS, with the adoption of the Local Control Funding Formula, the projected level of future State funding for the District will be materially less than that required for on-going District educational programs, thereby threatening the quality of local schools; and

WHEREAS, the Board has concluded that the District’s only remedy to avoid the undermining of 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 impact on raising academic standards; and

WHEREAS, such a measure also can provide funds that cannot be taken away by the State; and

WHEREAS, such a measure must include mandatory taxpayer protections, including an independent citizens’ oversight committee and mandatory audits to ensure funds are spent properly; 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 that exempts from the 1% of full cash value limitation, those *ad valorem* taxes used to pay for debt service on 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 reduced the voter threshold for *ad valorem* tax levies used to pay for debt service on 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 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 desires that bonds of any issuance have a maturity of less than five years, that no more than \$15 million of bonds be outstanding at any given time, and all bonds be retired by July 31, 2026; 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 enforced 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, 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 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 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, June 3, 2014, and to request the San Diego County Registrar of Voters to perform certain election services for the District;

NOW THEREFORE, THE GOVERNING BOARD OF THE CORONADO UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the Board, pursuant to Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506, hereby requests the San Diego 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 up to \$35,000,000 (the “Bonds”) shall be issued and sold for the purpose of raising money for the projects described in Exhibits “A” and “B” hereto. Both exhibits are directed to be printed in the voter pamphlet. The Bonds shall only be issued as current interest bonds and the annual assessed valuation growth assumptions for any series of Bonds issued will be the lesser of 5% or the average assessed value growth over the immediate past ten years. The Bonds shall be subject to the following additional restrictions:

- (a) the Bonds shall be issued and sold in series, and the Bonds within each respective series shall be due and payable within 5 years from the date of issuance thereof;
- (b) no more than \$15,000,000 in principal amount of the Bonds shall be outstanding at any time;
- (c) all Bonds of the measure shall be paid in full on or before July 31, 2026.

Section 2. That the date of the election shall be June 3, 2014.

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 Exhibits “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 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 needs of 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 initially 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 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) Receive and review copies of the annual, independent financial and performance audits performed by independent consultant(s);

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

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

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

(g) that prior to the issuance of bonds for the construction of new projects set forth in Exhibit "B", the Board would have received and approved a report from the President, stating that the District had identified sufficient financial resources to pay for the ongoing maintenance of such projects, and that such a report shall be made available to the Citizens' Oversight Committee for review;

(h) that the District must have a Governing Board approved short-term plan to eliminate deferred maintenance using general fund revenues, and, if necessary, with a limited reliance on bond revenues; and an approved major maintenance plan to ensure that both new and renovated facilities do not become maintenance deferred once the backlog has been eliminated, and that such plan should be made available to the Citizens' Oversight Committee;

(i) that in order to maximize community benefit and efficiently apply taxpayer dollars, the District should pursue all practical opportunities to expand community joint use facilities in every new or expanded school construction project. In pursuing joint use, the District's goal should be to maximize the use of District facilities to the broader community, without adversely impacting district operations or finances. Examples of appropriate joint use provisions for incorporation into construction plans include, but are not limited to, additional and expanded library facilities, recreational/physical-education facilities, computer labs, meeting rooms and childcare and health care facilities.

The Governing Board shall direct staff to implement the following procedures:

- Prior to the obligation of funds for new facilities or facilities expansion construction that likely would be appropriate for joint use, a joint use implementation report shall be presented in writing to the Citizens’ Oversight Committee and approved by the Governing Board.
- The joint use implementation report shall include the following minimum information:
 - Project description.
 - List and description of joint use elements that could potentially be incorporated into the project.
 - List of agencies and organizations contacted regarding potential joint use elements, including description of how agencies and organizations were contacted.
 - For each agency or organization contacted:
 - Joint use development criteria discussed or developed for the project.
 - Equity of contribution considerations discussed or developed for the project.
 - Description of joint use elements that will be incorporated into the project.

In addition, it is the intention of the Governing Board to make official, policy level contacts with overlapping public jurisdictions, in order to make joint-use and the efficient application of taxpayers’ dollars a priority of all agencies serving district boundaries. Agencies contacted should include, but not be limited to all public agencies within the District’s service area, as well as the County of San Diego, public school districts, and transit agencies;

(j) that prior to the issuance of the bonds, the District shall apply and continue to enforce a prequalification of bidders procedure on all new projects set forth in Exhibit “B” so that the District can be confident that all contractors, at all times, are qualified to bid on, work on, and complete such projects;

(k) that prior to the issuance of the bonds, the District shall initiate and enforce a labor compliance program which requires that (i) all contracts contain appropriate language concerning public works; (ii) federal and state labor laws are fully disclosed to all bidders; (iii) weekly payroll records of each contractor and subcontractor be available for District review; (iv) all contractors and subcontractors comply with applicable prevailing wage laws; (v) the District may withhold contract payments if any of the other requirements have not been satisfied. Data on outreach efforts and results to attract bidders to District projects shall be reported periodically to the Citizens’ Oversight Committee. The information to the Citizens’ Oversight Committee shall include statistical data, such as total number of bidders per project, but shall not include confidential information about specific bids and bidders; and

(l) that in connection with the establishment of a Citizens’ Oversight Committee, the Governing Board shall comply with Education Code Sections 15278 et seq., and beyond the requirements set forth therein, the Governing Board shall appoint persons such that a majority of the members of the Citizens’ Oversight Committee possess expertise in one or more of the following areas:

- (i) large scale construction operations;
- (ii) municipal/public finance matters;

- (iii) multiple years expertise with agency/entity budgeting (which may include public agency or public entity budgeting);
- (iv) construction related project management; and
- (v) real estate acquisition or sales.

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 Sections 5322 of the Education Code.

Section 6. That the San Diego County Registrar of Voters and the San Diego County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on June 3, 2014 within the District.

Section 7. That the Secretary of the Board is hereby directed to deliver a certified copy of this Resolution to the San Diego County Registrar of Voters no later than March 7, 2014.

Section 8. Subject to the limitations in Section 1 regarding the terms of the Bonds, 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 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 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 any body or official authorized by law to canvass such returns, and that the Board consents to such consolidation.

Section 10. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of San Diego 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 Diego 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) pursuant to the terms of Section 5363 of the Education Code and Section 12112 of the Elections Code.

ADOPTED, SIGNED AND APPROVED this 18th day of February, 2014.

GOVERNING BOARD OF THE CORONADO
UNIFIED SCHOOL DISTRICT

By _____
President

Attest:

Secretary

STATE OF CALIFORNIA)
)ss
SAN DIEGO COUNTY)

I, Jeffrey Felix, do hereby certify that the foregoing is a true and correct copy of Resolution No. _____, which was duly adopted by the Governing Board of the Coronado Unified School District at the meeting thereof held on the 18th day of February, 2014, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

By _____
Secretary

EXHIBIT A

Protect Quality Education in Coronado Local Measure. “To provide modern classroom technology and facilities students need for college/career success, continue advanced programs in math, science and the arts, acquire, construct, repair and equip classrooms/facilities/sites, permit smaller classes, and protect Coronado’s quality of education, shall Coronado Unified School District issue up to \$35,000,000 in bonds at legal rates, with maturities under 5 years, all bonds repaid by 7/31/26, less than \$15,000,000 outstanding at any time, independent citizen oversight, and all money staying local?”

Bonds – Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE CORONADO UNIFIED SCHOOL DISTRICT BOND MEASURE ELECTION JUNE 3, 2014

The following is the full proposition presented to the voters by the Coronado Unified School District.

Protect Quality Education in Coronado Local Measure. “To provide modern classroom technology and facilities students need for college/career success, continue advanced programs in math, science and the arts, acquire, construct, repair and equip classrooms/facilities/sites, permit smaller classes, and protect Coronado’s quality of education, shall Coronado Unified School District issue up to \$35,000,000 in bonds at legal rates, with maturities under 5 years, all bonds repaid by 7/31/26, less than \$15,000,000 outstanding at any time, independent citizen oversight, and all money staying local?”

PROJECT LIST

The Governing Board of the Coronado Unified School District is committed to protecting the quality of education in our local schools by (i) funding advanced programs in math, science, technology and the arts, and (ii) providing facilities and equipment needed for career and technology education classes so students are prepared for college and good-paying jobs in fields like science, technology and the skilled trades. To that end, the Board evaluated the District’s urgent and critical facility needs, including safety issues, class size maintenance, computer and information technology, and prepared a Facility Master Plan which is incorporated herein in its entirety, 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 Governing Board determines that the District must:**

- (i) Continue funding advanced programs in math, science, technology and the arts so that our students are prepared for success in college and 21st Century careers; and**
- (ii) Maintain manageable class sizes; and**
- (iii) Provide the facilities and equipment needed for career and technical education classes so students are prepared for college and good-paying jobs in fields like science, technology and the skilled trades; and**
- (iv) Keep school facilities and campuses clean and well-maintained; and**
- (v) Adhere to specific fiscal accountability safeguards such as:**
 - (a) Sacramento must be prohibited from taking any of the funds raised,**
 - (b) All expenditures must be subject to annual independent financial audits, and**
 - (c) An independent citizens’ oversight committee must be appointed to ensure that all funds are spent only as authorized.**

The Project List includes the following types of upgrades and improvements at the District schools:

School Maintenance, Renovation, Repair and Upgrade Projects

Goal and Purpose: Since providing the facilities and equipment needed for career training, advanced programs in math, science, technology, music, visual and performing arts programs, and technical education classes so students are prepared for college and good paying jobs in fields like science, technology and the skilled trades is critical, local schools will benefit from projects including:

- Repair, maintain or replace worn-out roofs, floors, plumbing, and electrical systems.
- Upgrade classrooms to keep pace with changing technology.
- Repair and maintain classrooms and school buildings.
- Provide improved, up-to-date technology infrastructure.

School Health and Safety and Energy Efficiency Projects

Goal and Purpose: Since good, safe and up-to-date schools are a wise investment to (i) help protect and improve local property values, (ii) improve the quality of education, and (iii) reduce maintenance costs, thereby returning more money to the classroom and allowing the District to retain highly qualified teachers and protect instruction in core subjects like math, science and technology, schools and school sites will benefit from a variety of health and safety projects, such as:

Student Safety

- Upgrade fire alarm systems to automatic systems, repair fire safety equipment, add sprinklers and fire safety doors to make students safe in the event of an emergency.
- Upgrade and install security systems, such as security lighting, fencing, smoke detectors, and fire alarms and sprinklers for improved student safety.
- Upgrade emergency communication systems to improve student safety.

Energy Efficiency – Returning Savings to the Classroom

- **Install energy efficient systems to save money and protect the quality of instruction in core subjects like reading, math, science and technology.**
- Improve heating, ventilation, air conditioning and lighting systems, doors and windows to increase energy efficiency to save money.

District-Wide Instructional Technology and Wiring Projects
To Provide a 21st Century Education

Goal and Purpose: To upgrade classrooms and computer systems to keep pace with technology and support raising academic standards by providing students with 21st Century technology skills and a strong background in science, math and technology:

- Upgrade instructional technology in the classroom for improved student learning.
- Provide and maintain up-to-date technology, data and communication equipment.
- Upgrade and expand wireless systems, telecommunications, and Internet and network connections, upgrade electrical wiring, data networks and broadband.
- Upgrade and replace computers, hardware and infrastructure systems, classroom and library technology and teaching equipment to enhance instruction.

* * *

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 management, staff training expenses and a customary contingency, and escalation for unforeseen design and construction costs. In addition to the listed projects stated above, the Project List also includes the payment of the costs of preparation of all facility planning, facility assessment reviews and master plans, environmental studies, construction documentation, inspection and permit fees, and temporary housing of dislocated District activities caused by bond projects. The upgrading of technology infrastructure includes, but is not limited to, servers, switches, routers, modules, smart boards, sound projection systems, wireless networks, portable interface devices, printers, upgrade voice-over-IP, phone systems, call manager and network security/firewall, and other miscellaneous equipment. The repair and maintenance of school facilities includes upgrading/maintaining school site parking, campus accessibility, utilities, and grounds, playground equipment, hard court surfaces, lighting, elevators, water heaters, boilers, and casework; enhance signage; install fire sensors; maintain athletic facilities and play fields including turf; upgrade electrical wiring; renovate and paint interior and exterior building surfaces to extend their useful life; improve security, install safety and communication systems and equipment, window and floor coverings (including tiles and carpeting); acquire kitchen equipment; upgrade irrigation systems; make improvements and acquire furnishings and/or other electronic equipment and systems; install solar or alternative energy management systems. The Project List also includes the refinancing of any outstanding lease obligations, or the bridge loans taken to initiate voter approved projects. The allocation of bond proceeds may 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 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 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 are finalized, construction bids 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 enhanced and operationally efficient campuses. Necessary site preparation/restoration and

landscaping, 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, redirecting fire access, and acquiring any necessary easements, licenses, or rights of way to the property.

Bond proceeds shall be expended only for the specific purposes identified herein. 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 the bond projects. 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.

LIMITS ON BONDS ISSUED: The District expects only to issue bonds that will be repaid in-full within five (5) years of their date of issuance. All of the bonds are expected to be issued and retired by July 31, 2026. The District expects that no more than \$15 million of bonds will be outstanding at any one time.

FISCAL ACCOUNTABILITY: IN ACCORDANCE WITH EDUCATION CODE SECTION 15272, THE GOVERNING BOARD 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. Bond funds shall not be temporarily transferred to the District's general fund for administrative purposes.