

RESOLUTION NO. 01222018-A

RESOLUTION OF THE BOARD OF TRUSTEES OF PATTERSON
JOINT UNIFIED SCHOOL DISTRICT ORDERING AN
ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE
ELECTION ORDER

WHEREAS, the Board of Trustees (the “Board”) of the Patterson Joint Unified School District (the “District”) is committed to providing equal access to a quality education in local public schools by updating classroom technology, improving school safety, and making basic repairs to all schools to keep pace with 21st Century learning; and

WHEREAS, since the District wants our students prepared to succeed in a 21st Century competitive economy, children need updated full-service schools which are accessible, clean and safe learning environments; and

WHEREAS, the Board believes that to achieve that goal the District must maintain and repair classrooms, facilities and equipment, as needed, so that all facilities provide up-to-date science, technology, engineering, arts and math classrooms; and

WHEREAS, the State of California (the “State”) does not provide the District with enough money for the District to adequately upgrade 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 impact on protecting student safety, upgrading schools to improve technical education and workforce training, and making basic repairs to aging facilities; and

WHEREAS, such a bond measure must include mandatory taxpayer protections, including an independent taxpayers’ oversight committee and mandatory 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 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, on November 4, 2008, the District’s voter approved Measure V, a \$50,000,000 bond measure (“Measure V”) under the provisions of Proposition 39; and

WHEREAS, the District issued \$16,147,941.90 of bonds under Measure V and has determined that it cannot access the remaining authorization on terms that are acceptable to the District and advantageous to the taxpayers of the District; and

WHEREAS, the Board desires to authorize the submission of a proposition to the District's voters at an election to reapprove the issuance of Measure V bonds, as new bonds without increasing the total amount of authorized District debt 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 tax rate statement and ballot argument in favor of the proposition to be submitted to the voters at the election; and

WHEREAS, the District has obtained reasonable and informed projections of assessed valuations in compliance with Education Code Section 15100(c); 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, June 5, 2018, and to request each of Stanislaus County and the Santa Clara County Registrars of Voters to perform certain election services for the District.

NOW THEREFORE, THE BOARD OF TRUSTEES OF THE PATTERSON JOINT 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 Stanislaus County Registrar of Voters and the Santa Clara 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 \$33,852,058.10 (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. If the Bonds are approved and issued, the Board covenants that it will cancel and shall not authorize the issuance of Measure V bonds in a like amount.

Section 2. That the date of the election shall be June 5, 2018.

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 student safety and security, class size reduction, and educational and information technology needs of the District;

(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;

(v) Receive from the Board, within three months of District receiving the above-referenced 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 Sections 5322.

Section 6. That the Stanislaus County Registrar of Voters, the Stanislaus County Board of Supervisors, the Santa Clara County Registrar of Voters and the Santa Clara County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on June 5, 2018 within the District. Pursuant to Elections Code Section 10403, the Board acknowledges that the consolidation election will be held and conducted in the manner described 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 each of the Stanislaus County Registrar of Voters and the Santa Clara County Registrar of Voters no later than February 5, 2018.

Section 8. The Bonds shall be issued pursuant to Section 15264 *et seq.* of the Education Code 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 each of the Stanislaus County Registrar of Voters and the Santa Clara 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 each of Stanislaus County and Santa Clara County are requested to permit the applicable 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 both Stanislaus County and Santa Clara 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 Section 5363 of the Education Code and Elections Code Section 12112.

ADOPTED, SIGNED AND APPROVED this 22nd day of January, 2018.

BOARD OF TRUSTEES OF THE PATTERSON
JOINT UNIFIED SCHOOL DISTRICT

By _____
President

Attest:

Secretary

STATE OF CALIFORNIA)
)ss
STANISLAUS COUNTY)

I, Dr. Philip Alfano, do hereby certify that the foregoing is a true and correct copy of Resolution No. 01222018-A, which was duly adopted by the Board of Trustees of Patterson Joint Unified School District at the meeting thereof held on the 22nd day of January, 2018, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

By _____
Secretary

EXHIBIT A

“To repair/update Patterson’s classrooms, construct classrooms to keep pace with 21st Century learning/reduce overcrowding, make fire safety/security improvements, replace aging plumbing/sewer/electrical systems, acquire, construct/repair classrooms, sites, facilities/equipment, shall \$33,852,058.10 of Patterson Joint Unified School District bonds approved in 2008, be reauthorized as new bonds, at legal rates, levy on average 6 cents/\$100 assessed value (\$2,600,000 annually) while bonds are outstanding, with taxpayer oversight, audits, no increase in total authorized District debt?”

Shall the Measure be adopted:

Yes_____

No_____

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE PATTERSON JOINT UNIFIED SCHOOL DISTRICT BOND MEASURE ELECTION JUNE 5, 2018

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

“To repair/update Patterson’s classrooms, construct classrooms to keep pace with 21st Century learning/reduce overcrowding, make fire safety/security improvements, replace aging plumbing/sewer/electrical systems, acquire, construct/repair classrooms, sites, facilities/equipment, shall \$33,852,058.10 of Patterson Joint Unified School District bonds approved in 2008, be reauthorized as new bonds, at legal rates, levy on average 6 cents/\$100 assessed value (\$2,600,000 annually) while bonds are outstanding, with taxpayer oversight, audits, no increase in total authorized District debt?”

PROJECT LIST

The Board of Trustees (“Board”) of the Patterson Joint Unified School District is committed to repairing old schools, relieving classroom overcrowding, and insuring the safety of all students. To that end, the Board received input from teachers, staff and the community and evaluated the District’s urgent and critical facility needs, including the need for up-to-date technology, safety, class size reduction, computer and information technology, and prepared a draft Facilities Master Plan dated October 2017 and presented to the Board in February 2018, which Plan is incorporated herein in its entirety, in developing the scope of projects to be funded. **Therefore, in approving this Project List, the Board of Trustees determines that the District must:**

- (i) Construct classrooms and labs to reduce overcrowding; and**
- (ii) Upgrade fire safety and emergency communication systems; and**
- (iii) Provide up-to-date science, technology, engineering, arts and math classrooms; and**
- (iv) Replace aging roofs, plumbing, gas, sewer and electrical systems; and**
- (v) Repair and update classrooms, labs, athletic and other school facilities to keep pace with 21st Century learning; and**
- (vi) Adhere to specific fiscal accountability safeguards such as:**
 - (a) ENSURE ALL FUNDS ARE ONLY USED LOCALLY,**
 - (b) Prohibited the State from taking any of the funds raised,**
 - (c) REQUIRE THAT EXPENDITURES MUST BE SUBJECT TO ANNUAL INDEPENDENT FINANCIAL AUDITS, AND**
 - (d) Require independent citizens’ and taxpayer oversight of bond funds.**

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

Apricot Valley Elementary
Creekside Middle School
Del Puerto High School
Grayson Charter School
Las Palmas Elementary School
Northmead Elementary School
Patterson High School
Rising Sun Farm & Garden
Walnut Grove K-8 School

REPAIR SCHOOLS/RELIEVE OVERCROWDING:
Renovation, Repair and Upgrade Projects

Goal and Purpose: Classrooms and facilities in the District need to be updated for 21st Century learning. This measure will relieve classroom overcrowding and allow the District to ensure that all students have equal access to modern educational facilities.

- Fix and replace leaky roofs.
- Replace aging plumbing, gas, sewer, electrical, technology and lighting systems.
- Repair and update classrooms, restrooms, labs, athletic and other school facilities to keep pace with 21st Century learning.
- Make essential school safety and security improvements, including building security and communication systems.
- Improve safety at student pick-up and drop-off areas.

UPDATE/EXPAND SCHOOLS FOR CAREER TECHNICAL
FOR EDUCATION AND 21st CENTURY LEARNING

Goal and Purpose: This measure will allow the District to improve outdated classrooms and labs to meet modern standards for science, technology, engineering, athletics, arts, and math education, which are critical in preparing students for today's competitive job market.

- Provide up-to-date science, technology, engineering, arts, and math classrooms.
- Update classrooms for career technical education and workforce training programs; construct dining pavilion.
- Add classrooms to avoid overcrowding.
- Construct elementary school.
- Expand electrical capacity in classrooms to support learning technology which students need for college and future careers.

* * *

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, as well as the refinancing of outstanding lease and loan obligations. The upgrading of technology infrastructure includes, but is not limited to, servers, switches, routers, modules, computers, district-wide computer labs upgrades, smart boards, cameras, sound projection systems, wiring classrooms for internet connectivity, wireless networks, wireless access points and controllers, portable interface devices, mobile device management systems, printers, upgraded voice-over-IP, phone systems, call manager and network security/firewall, and other miscellaneous equipment. The repair and improvement of school facilities includes the following types of projects: install, acquire or repair energy efficiency improvements for school buildings, energy efficient lighting, air conditioning, heating, insulation and ceiling systems, and windows; upgrade facilities for seismic safety; modernize solar arrays, HVAC systems; construct, upgrade, repair or install school site parking, campus accessibility, utilities, plumbing, gas/ water lines, water conservation/drainage systems, playground equipment, hard court surfaces, general site paving, cabinets, learning commons and food service facilities, restrooms, kitchen facilities, roofs, interior and exterior lighting, flooring, roofs and tiles, interior and exterior lighting, fencing, doors, student lockers, water heaters, boilers, walkway covers and casework, bell/clock systems, signage, electronic marquees, asphalt, fire sensors, shade structures, outdated heating and air conditioning systems, multipurpose rooms used for after-school programs, assemblies, sports, and performing arts, playgrounds, play areas, including turf and artificial turf; construct, upgrade locker rooms, fields, field lights, baseball dugouts, regulation and competitive tracks, practice and game fields and tracks, baseball and softball fields, new gymnasiums/modernization of existing gyms, multi-purpose rooms, other related facilities and upgrades for comprehensive athletics programs at elementary and secondary schools; construct elementary and high school classrooms, convert elementary classrooms into high school classrooms, construct new elementary school; renovate, upgrade or relocate site classrooms and administration buildings, storage and operational and maintenance facilities; replace, upgrade and reconfigure parking lots and drop off/pick up zones to improve student safety; upgrade electrical wiring and systems; renovate and paint interior and exterior building surfaces to extend their useful life; improve security, install safety, security and communication systems and equipment, windows and floor coverings (including tiles and carpeting); build or upgrade irrigation systems; upgrade school offices, including furnishings; make improvements and acquire furnishings and/or other electronic equipment and systems. 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.

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. Bond funds shall not be temporarily transferred to the District's general fund for administrative purposes.