

RESOLUTION #07-12

RESOLUTION OF THE BOARD OF EDUCATION OF THE CABRILLO UNIFIED SCHOOL DISTRICT ORDERING A SCHOOL BOND ELECTION FOR JUNE 5, 2012, AND AUTHORIZING NECESSARY ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Board of Education (the "Board") of the Cabrillo Unified School District (the "District"), within the County of San Mateo, believes that a bond measure will help ensure that all schools in the District have up-to-date science labs, computers and learning technology so that District students are prepared to excel in the twenty-first century economy and high quality teachers and staff are attracted and retained;

WHEREAS, in order to continue improving education in all of the District's schools, it is the Board's priority to complete repairs and upgrades that will benefit all of the District's schools—Farallone View Elementary, Alvin S. Hatch Elementary, Kings Mountain Elementary, El Granada Elementary, Cunha Intermediate, Pilarcitos High School, and Half Moon Bay High School--including:

- (i) complete basic and necessary repairs and upgrades to District schools to provide a safe, healthful learning environment for students by means of a general obligation bond;
- (ii) equip all schools in the district with up-to-date computers, learning technology and science labs so that students are prepared to excel in the 21st century economy;
- (iii) provide a source of local revenue—that cannot be taken by the state—to make repairs so that all schools are safe and up to date;
- (iv) upgrade classrooms and make repairs now to save money that can be used to maintain quality academic programs and retain teachers;
- (v) ensure that facilities are up to date and safe so that qualified teachers continue to want to teach in our schools;
- (vi) reduce operating costs by improving and installing more cost efficient energy systems and making other improvements to reduce operating costs.

WHEREAS, the Board is authorized to order elections within the District and to designate the specifications thereof, pursuant to sections 5304 and 5322 of the California Education Code (the "Education Code");

WHEREAS, the Board is specifically authorized to order elections for the purpose of submitting to the electors the question of whether bonds of the District shall be issued and sold for the purpose of raising money for the purposes hereinafter specified, pursuant to section 15100 *et seq.* of the California Education Code;

WHEREAS, pursuant to section 18 of Article XVI and section 1 of Article XIII A of the California Constitution, and section 15266 of the California Education Code, school districts may seek approval of general obligation bonds and levy an *ad valorem* tax to repay those bonds upon a 55% vote of those voting on a proposition for that purpose, provided certain accountability measures are included in the proposition;

WHEREAS, the Board deems it necessary and advisable to submit such a bond proposition to the electors to be approved by fifty-five percent (55%) of the votes cast;

WHEREAS, such a bond election must be conducted concurrently with a statewide primary election, general election or special election, or at a regularly scheduled local election, as required by section 15266 of the California Education Code, and on June 5, 2012, an election is scheduled to occur throughout the District;

WHEREAS, pursuant to section 15270 of the California Education Code, 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 limit set by Proposition 39 per \$100,000 of assessed valuation of taxable property;

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

WHEREAS, in the judgment of the Board, it is advisable to request that the San Mateo County Registrar of Voters (the "County Registrar") act as the election official and call an election and submit to the registered voters of the District the full ballot proposition as detailed below, in coordination with the District as necessary;

WHEREAS, it is the recommendation of District staff that the District retain bond counsel and a financial advisor to assist the District with the process of calling a bond election and, if the bond election is successful, with the subsequent structuring and documenting of one or more bond issuances for the purposes set forth herein;

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

NOW, THEREFORE, be it resolved, determined and ordered by the Board of Education of the Cabrillo Unified School District as follows:

Section 1. Specifications of Election Order. Pursuant to sections 5304, 5322, 15100 *et seq.*, and section 15266 of the California Education Code, an election shall be held within the District on June 5, 2012, for the purpose of submitting to the registered voters of the District the full ballot proposition contained in **Exhibit B** ("Full Ballot Text"). The County Registrar shall by mutual agreement provide for the performance of their duties in accordance with Education Code section 5303.

Section 2. Abbreviation of Proposition. Pursuant to section 13247 of the California Elections Code and section 15122 of the California Education Code, the Board hereby directs the County Registrar to use the abbreviation of the Full Ballot Text that is attached hereto as **Exhibit A**.

Section 3. Voter Pamphlet. The County Registrar is hereby requested to reprint the Full Ballot Text in its entirety in the voter information pamphlet to be distributed to voters pursuant to section 13307 of the California Elections Code. In the event the Full Ballot Text is not reprinted in the voter information pamphlet in its entirety, the County Registrar is hereby requested to print, immediately below the impartial analysis of the bond proposition, in no less than 10-point boldface type, a legend substantially as follows:

"The above statement is an impartial analysis of Measure _____. If you desire a copy of the measure, please call the San Mateo County Registrar of Voters at _____ and a copy will be mailed at no cost to you."

Section 4. Required Vote. Pursuant to section 18 of Article XVI and section 1 of Article XIII A of the State Constitution, the above proposition shall become effective upon the affirmative vote of at least fifty-five percent (55%) of those voters voting on the proposition.

Section 5. Request to County Officers to Conduct Election. The County Registrar is hereby requested, pursuant to section 5322 of the California Education Code, to take all steps to call and hold the election in accordance with law and these specifications.

Section 6. Consolidation of Election and Canvass of Vote.

(a) Pursuant to section 15266(a) of the California Education Code, the election shall be consolidated with the election on June 5, 2012.

(b) The Board of Supervisors of San Mateo County is authorized and requested to canvass the returns of the election, as necessary, pursuant to section 10411 of the California Elections Code.

Section 7. Delivery of Order of Election to County Officers. The Clerk of the Board is hereby directed to deliver or cause to be delivered, no later than March 9, 2012, (which date is 88 days prior to the date set for the election), one copy of this Resolution to the County Registrar with the completed Tax Rate Statement (in substantially the form attached hereto as **Exhibit C**), completed and signed by the Superintendent or his designee, and shall file a copy of this Resolution with the Clerk of the Board of Supervisors of San Mateo County.

Section 8. Ballot Arguments. The members of the Board are hereby authorized, but not directed, to prepare and file with the County Registrar a ballot argument in favor of the proposition contained in Section 1 hereof, within the time established by the County Registrar.

Section 9. Consultants. The District hereby retains the law firm of Dannis Woliver Kelley to serve as District bond counsel, Piper Jaffray & Co. to provide bond underwriting services and Isom Advisors, a Division of Urban Futures Inc., is hereby retained as the financial advisor to the District in connection with the bond election and potential bond issuance pursuant to the terms and conditions as described in the proposals and contracts on file with the Superintendent.

Section 10. Further Authorization. The members of this Board, the Superintendent, and all other officers of the District are hereby authorized and directed, individually and collectively, to do any and all things that they deem necessary or advisable in order to effectuate the purposes of this Resolution, including amendments to the ballot measure text and Exhibits attached to this Resolution.

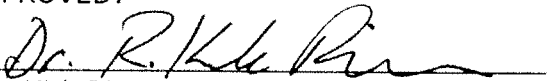
//
//
//

Section 11. Effective Date. This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED this day, March 8, 2012, by the following vote:

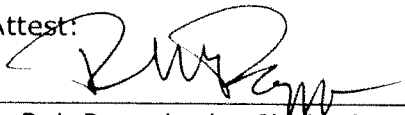
AYES: Kirk Riemer, Freya McCamant, John Moseley, Mario Vazquez, Rob Pappalardo
NAYS:
ABSTAIN:
ABSENT:

APPROVED:



Dr. Kirk Riemer, President of the Board of
Education of the
Cabrillo Unified School District

Attest:



Rob Pappalardo, Clerk of the Board of
Education of the
Cabrillo Unified School District

EXHIBIT A

SUMMARY OF BALLOT MEASURE

To improve the quality of education in local schools by replacing leaky roofs; performing essential safety repairs on classrooms and facilities; updating science labs; equipping classrooms with 21st Century technology; maximizing energy efficiency and water conservation to save money; and renovating, constructing, and equipping classrooms and facilities; shall Cabrillo Unified School District issue \$81 million in bonds at legal rates, with citizen oversight, annual audits, no funds for administrators' salaries and all funds staying in local schools?

EXHIBIT B

CABRILLO UNIFIED SCHOOL DISTRICT BOND PROPOSITION FULL BALLOT TEXT

The Board of Education (the "Board") of the Cabrillo Unified School District (the "District"), believes that a bond measure will help ensure that all schools in the District have up-to-date science labs, computers and learning technology so that District students are prepared to excel in the twenty-first century economy and high quality teachers and staff are attracted and retained.

In order to continue improving education in all of the District's schools, it is the Board's priority to complete repairs and upgrades that will benefit all of the District's schools—Farallone View Elementary, Alvin S. Hatch Elementary, Kings Mountain Elementary, El Granada Elementary, Cunha Intermediate, Pilarcitos High School, Half Moon Bay High School--including :

- (i) complete basic and necessary repairs and upgrades to District schools to provide a safe, healthful learning environment for students by means of a general obligation bond;
- (ii) equip all schools in the district with up-to-date computers, learning technology and science labs so that students are prepared to excel in the 21st century economy;
- (iii) provide a source of local revenue—that cannot be taken by the state—to make repairs so that all schools are safe and up to date;
- (iv) upgrade classrooms and make repairs now to save money that can be used to maintain quality academic programs and retain teachers;
- (v) ensure that facilities are up to date and safe so that qualified teachers continue to want to teach in our schools;
- (vi) reduce operating costs by improving and installing more cost efficient energy systems and making other improvements to reduce operating costs.

By approval of the proposition set forth below as the Summary of Ballot Measure, by at least 55% of the registered voters voting thereon, the Cabrillo Unified School District shall be authorized to issue and sell bonds of up to \$81,000,000 in aggregate principal amount to provide financing for the specific school facilities projects listed below in the Bond Project List, subject to all of the accountability safeguards specified herein.

"To improve the quality of education in local schools by replacing leaky roofs; performing essential safety repairs on classrooms and facilities; updating science labs; equipping classrooms with 21st Century technology; maximizing energy efficiency and water conservation to save money; and renovating, constructing, and equipping classrooms and facilities; shall Cabrillo Unified School District issue \$81 million in bonds at legal rates, with citizen oversight, annual audits, no funds for administrators' salaries and all funds staying in local schools?"

ACCOUNTABILITY MEASURES

The provisions in this section are included in this proposition in order that the voters and taxpayers of the District may be assured that their money will be spent to address specific facilities needs of the District, all 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 section 15264 *et seq.* of the California Education Code).

Evaluation of Needs. The Board of Education has evaluated the facilities needs of the District, and determined which projects to finance from a local bond at this time. The Board of Education hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List.

Independent Citizens' Oversight Committee. The Board of Education shall establish an independent Citizens' Oversight Committee to ensure bond proceeds are expended only for the school facilities projects listed in the Bond Project List. The committee shall be established within 60 days of the date when the Board of Education enters the results of the election in its minutes.

Annual Performance Audit. The Board of Education shall conduct or cause to be conducted an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects listed in the Bond Project List.

Annual Financial Audit. The Board of Education shall conduct or cause to be conducted an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed in the Bond Project List.

Annual Report to Board. Upon approval of this proposition and the sale of any bonds approved, the Board of Education shall take actions necessary to establish an account in which proceeds of the sale of bonds will be deposited. As long as any proceeds of the bonds remain unexpended, the Superintendent shall cause a report to be filed with the Board of Education no later than January 1 of each year, commencing January 1, 2013, stating (1) the amount of bond proceeds received and expended in that year, and (2) the status of any project funded or to be funded from bond proceeds. The report may relate to the calendar year, fiscal year, or other appropriate annual period as the Superintendent shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

BOND PROJECT LIST

The Bond Project List, which is an integral part of this proposition, lists the specific projects the District proposes to finance with proceeds of the bonds.

The Board of Education of the District evaluated the District's facility needs, including safety issues, enrollment trends, class size reduction, computer and information technology enhancements and facilities renovation and repair, in developing the scope of projects to be funded. The Board of Education believes that a bond measure will help ensure that all schools in the District—Farallone View Elementary, Alvin S. Hatch Elementary, Kings Mountain Elementary, El Granada Elementary, Cunha Intermediate, Half Moon Bay High School— have up-to-date science labs, computers and learning technology so that District students are prepared to excel in the twenty-first century economy and high quality teachers and staff are attracted and retained. The Board of Education concluded that, since these needs are vitally important, the District should:

- (i) Keep schools clean, well maintained and in good condition;
- (ii) Replace leaky roofs;
- (iii) Perform essential safety repairs and upgrades to classrooms and facilities;
- (iv) Equip classrooms with 21st Century technology;

- (v) Update or perform major repairs to classrooms and science labs;
- (vi) Upgrade earthquake and fire safety;
- (vii) Maximize energy efficiency and water conservation to save money;
- (viii) Improve disabled access;
- (ix) Renovate, construct, and equip classrooms and facilities; and
- (x) Establish programs that maximize the use of bond funds to support regular facility maintenance, repair and technology upgrades

In order to meet these needs, the District intends to complete the following projects at District schools and facilities using a combination of funding sources. It is anticipated that bond proceeds will contribute \$81,000,000 to said total cost. Other anticipated sources include joint-use funds, development impact fees, and other available funds. The District will pursue state matching funds if and when they become available, and if received, they will be used for and applied to projects on the Bond Project List. However, no project is dependent on the receipt of additional funds. Unless otherwise noted, the following projects are authorized to be completed at each or any of the District's school sites.

The projects to be funded by the bond include, without limitation, the following:

Category 1: Basic Upgrades to Protect Facility Investments, Keep Schools Clean, Safe, Well Maintained and in Good Condition

Goal and Purpose: To provide clean, safe and well maintained facilities to support educational programs, students will benefit from the repair, upgrade or renovation of aging buildings, labs and classrooms, improved school site safety:

- Replace and repair leaking roofs
- Upgrade and perform essential safety repairs and improvements on classrooms, science laboratories, and other school and athletics facilities
- Upgrade earthquake and fire safety, including phone, fire alarm, and communications systems
- Repair, replace, or upgrade inefficient and aging heating, cooling and plumbing systems
- Renovate school restrooms
- Repair or replace worn floor coverings in classrooms
- Upgrade, repair or replace playground equipment, asphalt and turf for student safety and improved access for people with disabilities
- Construct a multi-use educational facility for educational programs, including performing arts, for school and community use
- Repair outdated electrical systems and wiring to improve efficiency and safety
- Make safety improvements on and around school sites, including improved fencing, walkways and overhangs, better access for people with disabilities, and traffic circulation improvements
- Replace drinking fountains, trash receptacles, enclosures and equipment
- Renovate, repair, paint and improve school campuses and grounds
- Establish programs to support regular and long term upgrades and replacement of outdated facilities, equipment, and grounds
- Upgrade vocational education and career training facilities to prepare students for future jobs

Category 2: Preparing Our Students for the 21st Century and Improving Education in the Classroom through Upgraded 21st Century Technology and Classroom Upgrades

Goal and Purpose: To upgrade computer technology and provide our teachers and students with current teaching, learning and research tools:

- Acquire and upgrade technology infrastructure, including, without limitation, computers, LCD projectors, portable interface devices, servers, switches, routers, modules, sound projection systems, phone system integration, local area network upgrades, document archiving, cabling infrastructure, laser printers, digital white boards, document projectors, upgrade voice-over-IP, call manager and network security/firewall, and other equipment, casework and software as needed
- Provide and repair up-to-date technology, data and wireless communications equipment
- Add, update and expand telecommunications, internet and network connections
- Add, upgrade and replace computers, hardware and software systems
- Add, upgrade and replace classroom instructional equipment
- Add, upgrade and replace electrical systems to support improved technology;
- Establish programs to support regular and long term upgrades to technology systems, hardware, software and equipment

Category 3: Improving Energy Efficiency, Conserving Water and Other Capital Improvements to Save Money that Can Be Used to Help Retain Teachers and Protect Academic Programs

Goal and Purpose: To reduce utility and other operating costs by making capital improvements to energy, water and utility systems, and consolidating facilities:

- Acquire and install energy efficiency systems, including solar panels, to reduce energy/utility costs and return savings to educational programs
- Improve water and energy conservation by upgrading plumbing, renovating restrooms and replacing or renovating the old, inefficient and dilapidated swimming pool at Half Moon Bay High School
- Replace outdated and inefficient heating and ventilation systems
- Relocate or consolidate district administrative offices and space to improve efficiency and save money

Listed repairs, improvements, rehabilitation projects and upgrades will be completed as needed. Each project is assumed to include its share of costs of the election and bond issuance, architectural, engineering, and similar planning costs, construction management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the projects listed above, the Bond Project List also includes the acquisition of instructional, maintenance and operational equipment, payment of the costs of preparation of all facilities planning studies, feasibility and assessment reviews, master planning, environmental studies, and temporary housing for dislocated programs or activities caused by construction projects. 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. Necessary site preparation/grading/restoration may occur in connection with new construction, modernization, renovation or remodeling, 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 staff when performing work on or made necessary by the implementation of bond projects.

ADDITIONAL SPECIFICATIONS

No Administrator Salaries. Proceeds from the sale of Bonds authorized by this proposition shall be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities on the Bond Project List, including the furnishing and equipping of said school facilities, or the acquisition or lease of real property for said school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

Single Purpose. All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to section 15100 of the California Education Code, and all the enumerated purposes shall constitute the specific single purpose of the bonds and proceeds of the bonds shall be spent only for such purpose.

Other Terms of the Bonds. When sold, the bonds shall bear interest at an annual rate not exceeding the statutory maximum, and that interest will be made payable at the time or times permitted by law. The bonds may be issued and sold in several series, and no bond shall be made to mature more than 25 years (if issued pursuant to the provisions of the California Education Code) or 40 years (if issued pursuant to the provisions of the California Government Code) from the date borne by that bond.

EXHIBIT C

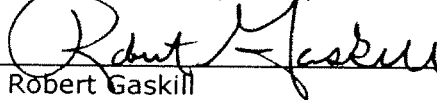
TAX RATE STATEMENT

An election will be held in Cabrillo Unified School District ("District") on June 5, 2012, to authorize the sale of **\$81,000,000** in general obligation bonds. The following information is submitted in compliance with Sections 9400-9404 of the California Elections Code.

1. The best estimate of the tax rate that would be required to fund this bond issue during the first fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is **\$0.0450** per \$100 (**\$45.00** per \$100,000) of assessed valuation in fiscal year 2012-2013.
2. The best estimate of the tax rate that would be required to fund this bond issue during the first fiscal year after the sale of the last series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is **\$0.0450** per \$100 (**\$45.00** per \$100,000) of assessed valuation in fiscal year 2022-2023.
3. The best estimate of the highest tax rate that would be required to fund this bond issue, based on estimated assessed valuations available at the time of filing this statement, is **\$0.0450** per \$100 (**\$45.00** per \$100,000) of assessed valuation.

These estimates are based on projections derived from information obtained from official sources. The actual tax rates and the years in which they will apply may vary depending on the timing of bond sales, the amount of bonds sold at each sale and actual increases in assessed valuations. The timing of the bond sales and the amount of bonds sold at any given time will be determined by the needs of the District. Actual assessed valuations will depend upon the amount and value of taxable property within the District as determined in the assessment and the equalization process.

Dated: March 8, 2012,



Robert Gaskill
Superintendent

Cabrillo Unified School District