

6.2

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT  
2930 Gay Avenue, San Jose, CA 95127

Office of Superintendent of Schools

ITEM REQUIRING ATTENTION - BOARD OF EDUCATION

Board of Trustees:

Date: July 3, 2012

Subject: BOND RESOLUTION NO. 01-12/13

Resolution No. 01-12/13 of the Board of Trustees of ARUESD ordering an election to authorize the issuance of school bonds, establishing specifications of the election order, and requesting consolidation with other elections occurring on November 6, 2012. This agenda item will provide an opportunity for the Board and the public to review the resolution language prior to taking action at the Special Board Meeting on July 26, 2012.

Information

Board of Trustees of the Alum Rock Union Elementary School District took following action at their meeting of July 9, 2012  
APPROVED  
DENIED  
OTHER  
info. only  
MSANEH

Submitted by: Stephen A. Fiss Title: Interim Superintendent

To the Board of Trustees: Meeting: July 9, 2012 Regular Board Meeting  
Information  
6.2  
Agenda Placement  
Stephen A. Fiss, Interim Superintendent

**DISPOSITION BY BOARD OF TRUSTEES**  
Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_  
Approved: \_\_\_\_\_ Not Approved: \_\_\_\_\_ Tabled: \_\_\_\_\_

Dialogue on The Bond Resolution  
Chuck Adams reviewed the resolution

**RESOLUTION NO. 01-12/13**

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE ALUM  
ROCK UNION ELEMENTARY SCHOOL DISTRICT ORDERING AN  
ELECTION TO AUTHORIZE THE ISSUANCE OF SCHOOL BONDS,  
ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER,  
AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS  
OCCURRING ON NOVEMBER 6, 2012**

**WHEREAS**, in the judgment of the Board of Trustees (the "Board") of the Alum Rock Union Elementary School District (the "District"), it is advisable to call an election to submit to the electors of the District the question whether bonds of the District shall be issued and sold for the purpose of raising money for the acquisition and improvement of real property and the furnishing and equipping of school facilities of the District; and

**WHEREAS**, the Board is authorized to pursue the authorization and issuance of bonds by a 55% vote of the electorate on the question whether bonds of the District shall be issued and sold for specified purposes, under Article XIII A Section 1 paragraph (b) of the California Constitution ("Article XIII A") and under Education Code Section 15264 *et seq.* (the "Act"); and

**WHEREAS**, under Section 10403 *et seq.* of 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, November 6, 2012, and to request the Santa Clara County Registrar of Voters to perform certain election services for the District;

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

**Section 1. Call for Election.** The Board hereby orders an election and submits to the electors of the District the question of whether general obligation bonds of the District shall be issued and sold in the maximum principal amount of \$125 million for the purpose of raising money to finance school facilities and property of the District, and paying costs incident thereto, as set forth more fully in the ballot proposition approved under Section 3. This Resolution constitutes the order of the District to call such election.

**Section 2. Election Date.** The date of the election shall be November 6, 2012, and the election shall be held solely within the boundaries of the District.

**Section 3. Purpose of Election; Ballot Proposition.** The purpose of the election shall be for the voters in the District to vote on a proposition, a full copy of which is attached hereto as Appendix A, containing the question of whether the District shall issue the Bonds for the purposes stated therein, together with the accountability requirements of Article XIII A and the requirements of Section 15272 of the Act. As required by Elections Code Section 13247, the abbreviated form of the measure to appear on the ballot is attached hereto as Appendix B. The Superintendent is hereby authorized and directed to make any changes to the text of the proposition as required

to conform to any requirements of Article XIII A, the Act or the Santa Clara County Registrar of Voters.

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

**Section 5. School Facilities Projects.** As required by Article XIII A, the Board hereby certifies that it has evaluated safety, class size and information technology needs in developing the list of school facilities projects set forth in Appendix A.

**Section 6. Covenants of the Board upon Approval of the Bonds by the Electorate.** As required by Article XIII, Section 15278 of the Act, in the event 55 percent of the voters voting in the District approve of the Bonds, the Board shall:

- (a) Conduct an annual, independent performance audit to ensure that the funds have been expended only on the projects listed in Appendix A;
- (b) Conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for the school facilities projects listed in Appendix A; and
- (c) Establish and appoint members to an independent citizens' oversight committee in accordance with Sections 15278, 15280, and 15282 of the Act.

**Section 7. Delivery of this Resolution.** The Clerk of the Board is hereby directed to send a copy of this Resolution to the Santa Clara County Superintendent of Schools, the Santa Clara County Registrar of Voters (the "County Registrar") and the Santa Clara County Clerk of the Board of Supervisors. The County Registrar is hereby requested to print the full text of the ballot measure in the ballot materials and to publish the Notice of School Bond Election in a newspaper of general circulation within the District.

**Section 8. State Matching Funds.** The District hereby requests that the County Registrar include the following statement in the ballot pamphlet, pursuant to Section 15122.5 of the Education Code:

"Approval of Measure \_\_\_ does not guarantee that the proposed project or projects in the Alum Rock Union Elementary School District that are the subject of bonds under Measure \_\_\_ will be funded beyond the local revenues generated by Measure \_\_\_\_\_. The District's proposal for the project or projects may assume the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure."

**Section 9. Consolidation of Election; Request to Provide Services.** The County Registrar 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 November 6, 2012, within the District. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of Santa Clara County is requested to permit the County Registrar to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse Santa Clara County in full upon presentation of a bill, such services to include the publication of a formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code).

**Section 10. Ballot Arguments; Tax Rate Statement.** Any and all members of this Board are hereby authorized to act as an author of any ballot argument prepared in connection with the election, including a rebuttal argument. The President of the Board, the Superintendent, the Associate Superintendent of Administration and Business Services or any designee of the foregoing, are hereby authorized to execute any Tax Rate Statement or other document and to perform all acts necessary to place the bond measure on the ballot.

**Section 11. Accountability Measures.** As required by Section 53410 of the Government Code, a statement in substantially the following form shall be included on the ballot for the Bonds, and the Board covenants to comply with the reporting requirements contained in Section 53411 of the Government Code:

#### **Accountability Measures**

As required by Section 53410 of the Government Code, the following accountability measures are hereby made a part of the District's Bond Measure \_\_ (the "Bond Measure"):

- (a) The specific purpose of the Bonds is set forth in the Full Text of the Bond Measure;
- (b) The proceeds from the sale of the District's bonds will be used only for the purposes specified in the Bond Measure, and not for any other purpose;
- (c) The proceeds of the Bonds will be deposited into a Building Fund to be held by the Santa Clara County Treasurer, as required by the California Education Code; and
- (d) The Superintendent of the District shall cause an annual report to be filed with the Board of Trustees of the District, the first report to be filed not later than one year after the issuance of the first series of the Bonds, which report shall contain pertinent information regarding the amount of funds collected and expended, as well as the status of the projects listed in the Bond Measure, as required by Sections 53410 and 53411 of the Government Code.

**Section 12. Maturity Limit of Bonds.** The Bonds may be issued in series by the District from time to time, and each series of Bonds shall mature not more than 40

years from the date of issuance thereof. The Bonds shall be issued under the Education Code, under the provisions of Section 53506 of the California Government Code, or under any other provision of law authorizing the issuance of general obligation bonds by school districts.

**Section 13. Joint/Community Use.** Using funds from the Bonds, the District may enter into agreements with the City of San Jose, the County of Santa Clara or other agencies or nonprofit organizations for joint use of school facilities in accordance with Education Code Section 17011.42 (or any successor provision). The District may seek State grant or matching funds for eligible joint-use projects as permitted by law, and Bond funds may to be used to fund all or a portion of the share for such eligible joint-use projects as the Board shall determine.

**Section 14. Engagement of Professional Services.** The firm of Jones Hall, A Professional Law Corporation, is hereby designated as bond counsel to the District, the firm of Caldwell Flores Winters is hereby designated as financial advisor to the District, and the firms of Piper Jaffray & Co. and E. J. De La Rosa & Co., Inc. are hereby designated as underwriter, in connection with the election proceedings authorized under this Resolution and the issuance of any bonds in the event such election is approved by the requisite percentage of voters. The Superintendent is hereby authorized and directed to enter into agreements with each of such firms in the respective forms on file with the Clerk of the Board.

**Section 15. Effective Date.** This resolution shall take effect on and after its adoption.

\* \* \* \* \*

The foregoing Resolution was adopted by the Board of Trustees of the Alum Rock Union Elementary School District of Santa Clara County, being the Board authorized by law to make the designations therein contained by the following vote, on July 26, 2012.

Ayes:

Noes:

Absent:

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Clerk of the Board of Trustees  
of the Alum Rock Union Elementary School  
District

**APPENDIX A**

**BALLOT MEASURE  
FULL TEXT OF MEASURE**

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To improve neighborhood schools by removing mold and asbestos; fixing leaky, deteriorated roofs;  replacing inefficient/ aging heating, ventilation, and electrical systems to save money; improving fire safety/ security;  updating computer technology/ science labs for 21<sup>st</sup> century learning;  repairing aging restrooms; and acquiring, constructing, and repairing sites/ facilities, shall Alum Rock Union Elementary School District issue \$125 million in bonds at legal rates with required independent financial audits, citizens' oversight and no money for administrators' salaries?

Bonds—Yes

Bonds—No

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**BOND AUTHORIZATION**

By approval of this proposition by at least 55 percent of the registered voters voting on the proposition, the District will be authorized to issue and sell bonds of up to \$125 million in aggregated principal at interest rates below the legal limit and to provide financing for the specific school facilities projects listed in the Bond Project List described below, subject to all the accountability requirements specified below.

The Bonds may be issued under the provisions of the California Education Code (starting at Section 15100), under the provisions of the California Government Code (starting at Section 53506), or under any other provision of law authorizing the issuance of general obligation bonds by school districts. The Bonds may be issued in series by the District from time to time, and each series of Bonds shall mature within the legal limitations set forth in the applicable law under which the Bonds are issued.

**ACCOUNTABILITY REQUIREMENTS**

The provisions in this section are specifically included in this proposition in order that the voters and taxpayers in the District may be assured that their money will be spent wisely. Expenditures to address specific facilities needs of the District will be in compliance with the requirements of Article XIII A, Section 1(b)(3), of the State

Constitution and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Education Code Sections 15264 and following.)

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

**Independent Citizens' Oversight Committee.** The School Board shall establish an Independent Citizens' Oversight Committee under Education Code Section 15278 and following to ensure that bond proceeds are expended only on the school facilities projects listed below. The committee will be established within 60 days of the date when the results of the election appear in the minutes of the School Board.

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

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

#### **FURTHER SPECIFICATIONS**

**No Administrator Salaries.** Proceeds from the sale of bonds authorized by this measure shall be used only for the construction, reconstruction and/or rehabilitation of school facilities including the furnishing and equipping of school facilities or acquisition or lease of real property for school facilities and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

#### **BOND PROJECT LIST**

**Projects Subject to Available Funding.** The following list of projects is subject to the availability of adequate funding to the District. Approval of the bond measure does not guarantee that the proposed projects in the District that are the subject of bonds under the measure will be funded beyond the local revenues generated by the bond measure. The District's proposal for the projects may assume the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.

**Scope of Projects.** Bond proceeds will be expended to modernize, replace, renovate, construct, acquire, equip, furnish, rebuild and otherwise improve educational and support facilities within the District. Projects which are described below include all related and incidental costs, including their share of the costs of the election and bond issuance and costs of design, engineering, architect and other professional services, inspections, site preparation, utilities, landscaping, construction management and other planning, legal, accounting and similar costs, independent annual financial and performance audits, a customary construction contingency, and other costs incidental to and necessary for completion of the listed projects.

Bond proceeds may also be expended to acquire real property (or any interest in real property) for future educational and support facilities and to acquire and install furniture, fixtures and equipment at any classrooms and other educational facilities within the District. The District may alter the scope and nature of any of the specific projects which are described below as required by conditions that arise during the course of design and construction.

Whenever specific items are included in the following list, they are presented to provide examples and are not intended to limit the generality of the broader description of authorized projects. The order in which particular projects are listed is not intended to indicate priority for funding or completion.

### **RENOVATION, MODERNIZATION, AND REPAIR OF EXISTING SCHOOLS AND FACILITIES**

Bond proceeds will be expended to modernize, replace, renovate, construct, equip, rebuild and furnish the District's facilities as described in the following list. Whenever specific items are included in the following list, they are presented to provide an example and are not intended to limit the generality of the broader description of authorized projects.

The facilities and improvements to be financed by the bonds issued for the District include the modernization, replacement, renovation, construction, acquisition, equipping, furnishing, and other improvements to the facilities of the District located at the following schools, and including the District Office:

<b>School</b>	<b>Year Built</b>
Arbuckle Elementary	1961
Cassell Elementary	1963
Cesar Chavez Elementary	1950
Cureton Elementary	1952
Dorsa Beach Elementary	1960
Goss Elementary	1961
Hubbard Elementary	1959
Linda Vista Elementary	1959
Lucha Elementary	1964
Lyndale Elementary	1959
Millard McCollam Elementary	1958
Meyer Preschool	1962
Painter Elementary	1961
Rogers/Adelante Elementary	1967
Russo Academy/McEntee Academy	1956
Thomas P. Ryan Elementary	1967
San Antonio Elementary	1967
Slonaker Elementary	1962
Clyde Fisher Middle School	1960
Joseph George Middle School	1973
Lee Matheson Middle School	1958
Ocala Middle School	1972
William Shepherd Middle School	1961

### **Improvements for Student Health and Safety**

- Install new or improve existing student fire safety systems.
- Upgrade aging and/or deteriorating restrooms.
- Improve school site parking, upgrade student drop-off areas and improve off-street parking, including repair of unsafe asphalt.
- Install new or improve existing student fire safety systems.
- Enhance student safety with improved security systems, lockable gates, security locks, security cameras, outdoor lighting, fencing and emergency communication systems and outdoor lighting.

### **Energy Efficiency Improvements and Other Cost-Saving Improvements**

- Upgrade electrical, heating, cooling and ventilation systems for energy efficiency and to reduce energy costs.
- Refinance outstanding 2010 Series A Certificates of Participation issued by the District to provide financing for various educational facilities consisting generally of [to be provided], through the purchase of property leased in connection with such Certificates of Participation, consisting of the William L. Sheppard Middle School, Lee Matheson Middle School, Clyde Fischer Middle School and Joseph George Middle School

### **Technology Improvements**

- Upgrade classroom technology and technology infrastructure, including acquisition of computers, servers, network facilities and other technology equipment.

### **Repair and Upgrade of School Facilities**

- Repair/replace leaking or deteriorating roofs.
- Renovate, upgrade classrooms, buildings, including physical education, administration areas, upgrade facilities, as needed; improve access for students and teachers with disabilities, remove hazardous materials, if any.
- Add additional classrooms to reduce class size.
- Upgrade drainage systems, improve school grounds including landscaping, walkways and drinking fountains.

- Renovate, upgrade and provide additional classrooms, library facilities, multi-purpose rooms, buildings, storage and support areas, administrative office facilities, walkways and other educational facilities as needed; improve access for students and teachers with disabilities, remove hazardous materials, if any.
- Upgrade the District central support office, including electrical, hearing, cooling and ventilation systems, restrooms, signage, door locks, outdoor security lighting, handicapped accessibility and adding relocatable rooms; repair/replace deteriorating roofs, and District technology systems.
- Upgrade District athletic facilities, including play court surfaces and athletic fields.

**APPENDIX B**

**BALLOT MEASURE  
ABBREVIATED FORM\***

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To improve neighborhood schools by removing mold and asbestos; fixing leaky, deteriorated roofs;  replacing inefficient/aging heating, ventilation, and electrical systems to save money; improving fire safety/ security;  updating computer technology/ science labs for 21<sup>st</sup> century learning;  repairing aging restrooms; and acquiring, constructing, and repairing sites/ facilities, shall Alum Rock Union Elementary School District issue \$125 million in bonds at legal rates with required independent financial audits, citizens' oversight and no money for administrators' salaries?

Bonds—Yes

Bonds—No

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