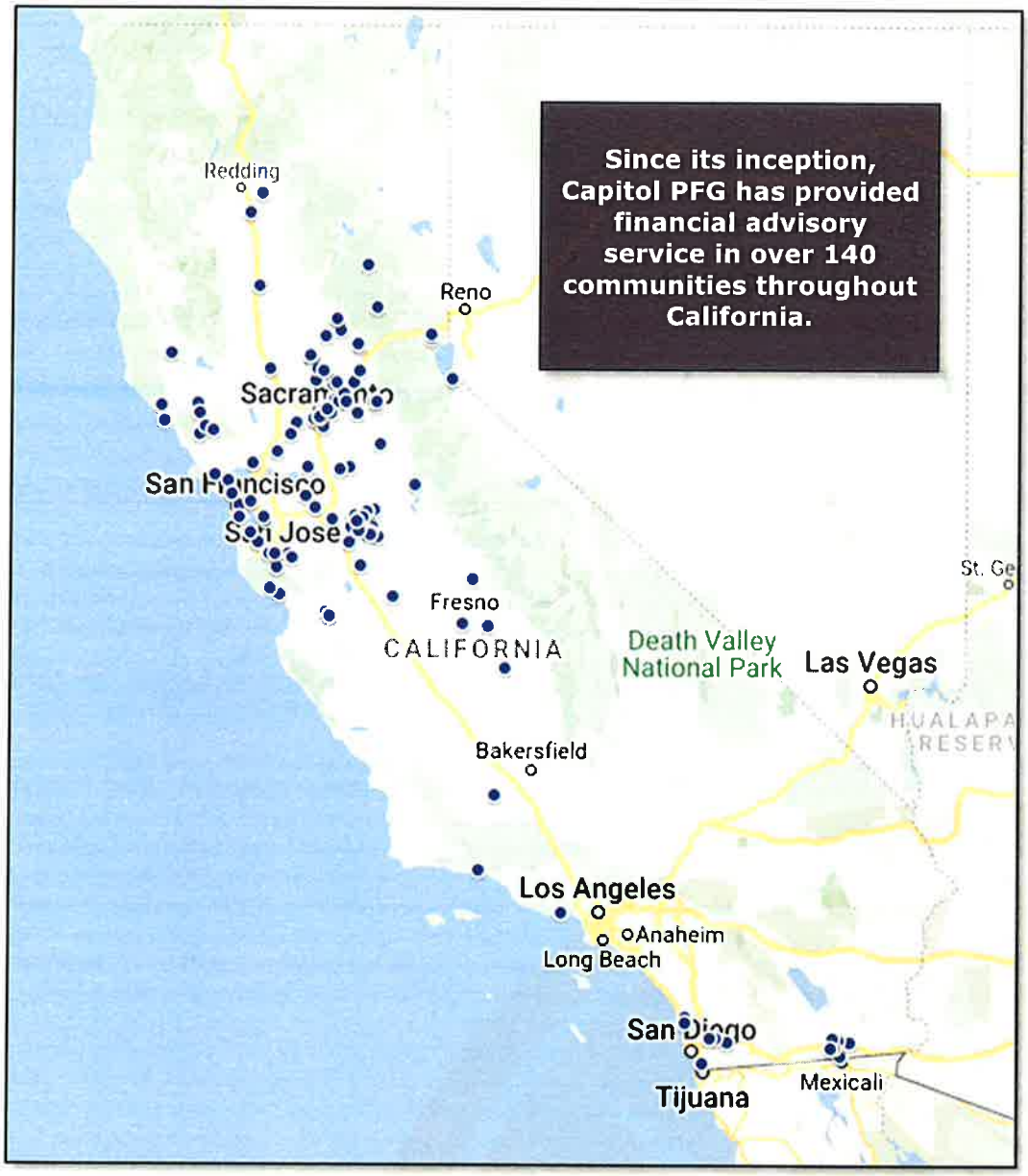
QUALIFICATIONS FOR FINANCIAL ADVISORY SERVICES

January 7, 2022

Prepared by:

Capitol Public Finance Group, LLC
2436 Professional Drive, Suite 300
Roseville, CA 95661
T (916) 641 2734
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www.capitolpfg.com



GENERAL DISCLOSURE AND DISCLAIMERS (PLEASE READ)

Capitol PFG is not advising or recommending any action be taken by individuals receiving information provided by Capitol PFG with respect to any prospective, new or existing municipal financial products or issuance of municipal securities (including with respect to the structure, timing, terms and other similar matters concerning such financial products or issues). Furthermore, Capitol PFG is not acting as a municipal advisor to individuals receiving such information and does not assume any fiduciary duty hereunder, including, without limitation, a fiduciary duty pursuant to Section 15B of the Exchange Act with respect to the services provided hereunder and any information and material contained in Capitol PFG's work product. Finally, individuals receiving this information shall discuss any such information and material contained in Capitol PFG's work product with any and all internal and/or external advisors and experts, including its own municipal advisors, that it deems appropriate before acting on the information and material.

SECTION 1 - EXECUTIVE SUMMARY

Capitol Public Finance Group, LLC (Capitol PFG) is pleased to provide the enclosed Proposal for Municipal Financial Advisor Services. Capitol PFG is a top brand financial advisor providing public finance services exclusively to California school districts and local governments. Our company and personnel have longevity in working together and are committed to delivering the very best service to our clients. We are thoughtful in providing advice and do so in a manner that is responsive to the needs of our clients. At Capitol PFG you will always find a principal of our firm to answer your phone calls, respond to your e-mails and show up for the District at meetings. You can have confidence in the work product that we deliver. Our work product will always be customized to your financial, legal and political objectives.

Since 2005, the Capitol PFG team has a proven track record of providing our clients with an exceptional level of financial consulting services. Capitol PFG is built on a team-based approach. Our team of three partners all provide client services from our office in Roseville which is located in the Sacramento metropolitan area. As you will find in our Proposal, we are well-qualified to provide the requested services to the District

Capitol PFG is registered with the SEC and MSRB as required by the Dodd-Frank Act. Our municipal advisor registration number with the U.S. Securities and Exchange Commission and Municipal Security Rulemaking Board are 867-00440 and K0554, respectively. Our tax identification umber is 20-2299628 and our business licence number for the City of Roseville is 00828421.

We pride ourselves on our personalized approach to issuing municipal securities. Our firm has a history of putting our client's interests above our own and serving our public agency client's interests and not Wall Street. This approach preserves the public dollar and ensures taxpayer's interest are met. We believe in transparency. For every transaction we provide, evaluate, and communicate the costs and benefits of the various financing strategies so that District staff and the Board can make informed decisions and that community members have confidence in those decisions. Our approach also leaves room for innovative solutions as we are not simply focused on completing the "deal". Capitol PFG's financings have **twice** been awarded the **Bond Buyer *Deal of the Year***, an industry award given to the Country's most innovative financings.

Capitol PFG sets itself apart from other municipal advisory firms through our:

- Personalized and customized approach based on our client's unique interests;
- One-stop-shop for facilities planning and comprehensive financial advisory services;
- Focus on transparency and ability to communicate complex financial information in a way that the District can make informed financial decisions; and
- Understanding of how educational program needs and community desires set the stage for facilities improvement needs and GO Bond funding.

We have designed and marketed nearly $4.6 billion dollars of public financing throughout California since 2005. Capitol PFG works with each client to create financial plans, identify critical decision points, and evaluate relevant cost/benefits to assist our clients in making the best possible decisions to reach their objectives.

With Capitol PFG, **it is NOT about the bonds**. The issuance of bonds is simply the implementation of a well-conceived capital and financial plan designed to meet our public agency client's goals in conjunction with the desires of their unique tax base. We understand the need for outreach and are knowledgeable and creative enough in our approach to debt structuring and bond issuance to customize a bond issuance plan that can meet the needs of varying interests.

We further pride ourselves on our techniques related to the education of school district staff, board and community stakeholders on all aspects of the financing process. This effort in education is based on our high ethical standards and strong belief in public transparency. Our approach is tailored toward meeting each client's needs, rather than churning out generic financing plans and transactions. For more information regarding Capitol PFG and our level of service and client commitment, please visit our website: www.capitolpfg.com.

The following table summarizes California school district financings implemented by Capitol PFG:

Summary of California Schools Financing Since 2005				
Debt Type	**Number of Issuances**	**Par Amount**	**New Money**	**Refundings**
General Obligation Bonds	77	$2,185,563,771	$1,727,367,771	$458,196,000
Certificates of Participation	71	$982,330,143	$630,711,606	$351,618,537
Special Tax Bonds	16	$221,339,387	$155,985,000	$65,354,387
Tax and Revenue Anticipation Notes	88	$764,100,000	$764,100,000	$0
Total	**252**	**$4,153,333,301**	**$3,278,164,377**	**$875,168,924**

By virtue of this submission, Jeffrey Small declares that all information provided in this proposal is true and correct.

Jeffrey Small, Esq.
Managing Partner

Capitol Public Finance Group, LLC
2436 Professional Drive, Suite 300
Roseville, CA 95661
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Fax (916) 921-2734
jsmall@capitolpfg.com

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SECTION 3 – PROPOSED STAFFING AND PROJECT ORGANIZATION

Quality service and personal relationships are essential in serving our public agency clients. As such, in order to ensure high quality work and service levels, Capitol PFG operates based on a team approach with the principals of the firm taking direct responsibility for review and delivery of client work. This ensures a high level of quality control and aids in the development of long-standing client relationships. The firm's principals, Cathy Dominico, Jeffrey Small and Chris Terry have seamlessly operated in a joint capacity for nearly 22 years. Cathy leads the firm's strategic consulting efforts while Jeffrey leads the firm's financial transactions. Chris provides additional client support on analytical and operational matters. The principals of the firm are supported by Stephanie Bell who is responsible for graphics and presentation.

Jeffrey Small, Esq., Managing Partner, Financial Transactions

- Directs debt issuance services and provides strategic consulting services
- Approximately 31 years in public finance and 17 years at Capitol PFG
- Bachelor of Arts Degree from the University of Arizona; Juris Doctor from California Western School of Law
- Registered with the U.S. Securities & Exchange Commission as a Municipal Advisor Representative and Principal (Series 50 and 54 Licenses). Attorney and active member of the California Bar Association
- Member, Placer County Conservation Authority Advisory Committee
- Member, Auburn Rotary Club

Cathy Dominico, Managing Partner, Strategic Consulting

- Directs strategic consulting services to Capitol PFG clients, including bond and facility planning, comprehensive analytic reports, and communication strategies
- Approximately 21 years in public finance and 17 years at Capitol PFG
- Bachelor of Science degree from the University of California, Davis
- Registered with the U.S. Securities & Exchange Commission as a Municipal Advisor Representative and Principal (Series 50 and 54 Licenses).

Chris Terry, Managing Partner, Chief Compliance Officer

- Responsible for day to day operations
- Provides debt issuance services, analytical support, and administrative services to the firm and its clients
- Approximately 21 years in public finance and 17 years at Capitol PFG
- Bachelor of Science Degree from the University of California, Davis
- Registered with the U.S. Securities & Exchange Commission as a Municipal Advisor Representative (Series 50 License).

Stephanie Bell, Office Administrator

- Office Administration and Project Support
- Preparation of client reports, studies, graphics and presentations
- 13 years at Capitol PFG
- Bachelor of Science program, BYU Idaho

SECTION 4 – WORKLOAD AND RESOURCES

Capitol PFG manages its workload between the three partners, all of whom hold a Series 50 license and are experienced in all aspects of municipal finance. Capitol PFG provides unique individualized service to its clients and does not simply churn out financings. This is accomplished by focusing our efforts less on marketing and more on client service. The three partners work out of of one office and have a full-time support staff member to assist with graphics, presentations and reports.

Capitol PFG provides a wide range of services that may be useful to the District, as shown below. We are available to begin providing services to the District immediately.

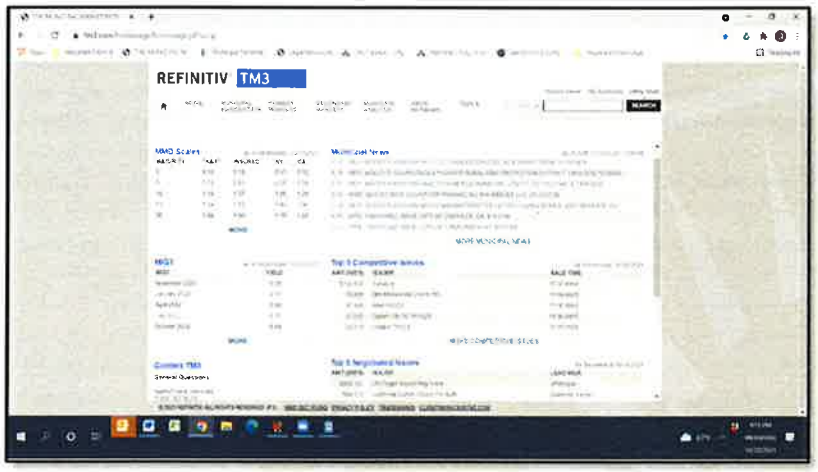
Financial Advisor Services
Development of Debt and Financial Policies
Long Range Financial Planning
Bond and Tax Measure Planning and Analysis
Capital Project Funding Plans
Financial Communication Strategies and Presentations
City and County Outreach/Affairs
Ongoing Debt Administration and Support
Citizen Oversight Committee Support
Development Impact Fee Study Preparation
Monitor Debt Refinance Oppotunities
Facility Master Planning
Facility Use Fee Study Preparation
Property Tax Analysis
Renewable Energy and Conservation Project Analysis

SECTION 5 – EXPERTISE

Capitol PFG is well-suited to provide the ***full scope*** of services identified by the District. Due to our depth of experience in modeling capital funding plans and supporting financing options, Capitol PFG can customize a work plan that meets the goals as set forth by the Board of Trustees.

In generating financing scenarios Capitol PFG utilizes sophisticated software for structuring municipal bond issues. ***Our financial expertise, allows us to analyze and structure any bond or loan structure***, maintain debt service schedules of District debt and monitor for refinancing opportunitis. Utilizing our software, debt repayment schedules can be customized to fit into the District's available resources for repayment with alternative scenarios available to discuss with District staff for consideration.

Our technical resources include several subscriptions including The Bond Buyer and TM3 (Thomson Reuters) that provides us with the most up-to-date market events and data including municipal news, credit rating updates, bond issuance calendars, pricing wires, descriptive data on all competitive and negotiated issuances, current and historical price evaluation data, MMD (Municipal Market Data) yield curve and spread analysis, and secondary trade information. Each of these allows us to gather and analyze the fixed-income markets for use in debt pricing, spread negotiations and forecasting economic conditions. With access to The Bond Buyer and TM3, we have access to the latest pricing information in the fixed-income markets and other news. The following is a snapshot of the TM3 information page.



While all of our technical resources allow Capitol PFG to keep abreast of the markets and trends, we have not allowed this new infrastructure to replace the "old-fashioned" resources of talking with analysts at rating agencies and bond insurance companies, or communicating with the client, investment bankers and underwriters.

A major role for a financial advisor is to bring to bear its expertise, skills and experience to assist its clients to determine credible options, analyze those alternatives and to select the best option after a diligent review and vetting. Capitol PFG's practice is to assist in determining alternatives and providing numerical analyses in a clear straightforward presentation, answering questions and then assisting the client to make the decision. In selecting Capitol PFG, the District would have an advisor that maintains its fiduciary duty to the District in all conduct, including analysis and recommendations. Capitol PFG will advise

with the District's interests first, without bias towards transactions or other arrangements. We do this by providing memos, graphs, tables or whatever medium best conveys the analysis and documents the decision.

Capitol PFG staff will work closely with staff to handle day to day activities and guide the District through all phases of issuance, including planning, bond issuance and post issuance compliance.

REVIEW:	DEVELOP:	ADVISE ON:	COORDINATE	MARKET & IMPLEMENT:
•Tax base demographics •Assessed value trends •Growth projections •Revenue constraints •Tax rates, facility needs, etc.	•Bonding capacity •Financial alternatives •Credit rating materials •Debt marketing strategies •Board presentations & communication	•Bond structure •Type of sale •Credit rating process •The Market (costs & interests rates) •Continuing disclosure •IRS compliance	•District staff •County •Architects •Bond & Disclosure Counsel •Underwriter •General Counsel	•Manage bond sale •Participate in roadshows •Support investor outreach •Validate pricing •Prepare bond sale report

In addition to the above services, as the District's financial advisor, Capitol PFG has the experience to provide a breadth of services which set us apart from many financial advisors in the industry, which enables us to effectively create and manage a comprehensive bond and capital program.

We have the knowledge and capabilities to:

- **Provide Financial Training -** to staff and policy makers on financial matters, educating all interested parties on the risks and benefits of financing options, the repayment plan and overall financing costs.
- **Be Available to Provide Ongoing General Financial Advisory Support -** Our clients are able to call us on an as needed basis for discussions, guidance and support on the various financial issues that arise on a daily basis. Our firm has assisted with developer negotiations, mitigation agreements, cash flow analysis, property tax calculations, redevelopment pass-through analysis, joint use arrangements, site acquisition negotiations, construction delivery method selection among other things.
- **Demonstrate Knowledge and Experience in Educational Facility Financings -** Financing of educational facility construction is a continuing challenge, and Capitol PFG has obtained experience and knowledge of the financial structures and nuances of these projects as part of our ongoing course of business. We provide our clients with guidance and expertise from developing options at the start of the process through post-sale compliance issues.
- **Provide Market Savvy Advice and Innovative Solutions** – Capitol PFG has a long history of financial innovation that serves the public interest. Our work has twice been awarded the Far West Deal of the Year, Small Issuer by *The Bond Buyer*, recognizing the country's most innovative financings.

Our goal is to use our knowledge and experience to provide our clients with quality financial analysis and sound financial advice. We enable our clients to make optimal decisions based on accurate and complete information.

Providing Financial Advice in the Context of Policies

Capitol PFG has extensive experience drafting financial policies for various types of public agencies including School Districts, City, County and Special District clients. Our approach to crafting financial policies begins with a review of our client's current practices, financial statements, current and anticipated long term liabilities, and feedback from the District. We are particularly interested in identifying the business practices, financing needs, financial resources and goals of our client.

Providing Financial Advice in the Context of Credit Rating Criteria

We also evaluate financial metrics utilized by the major credit rating agencies.

- Economy & Tax Base
  - Assessed Value per capita
  - Median Family Income as a percent of US and California median
  - Institutional presence
  - Regional economic center
  - Economic concentration
  - Outsized unemployment or poverty levels
- Finances
  - Fund Balance as a percent of Revenues
  - 5 Year Average of Operating Revenues / Operating Expenditures
  - Cash Balance as a percent of Revenues
  - 5 Year Dollar Change in Cash Balance as a percent of Revenues
- Management
  - Institutional Framework
  - 5 Year Average of Operating Revenues / Operating Expenditures
- Debt / Pensions
  - Net Direct Debt / Full Value (%)
  - Net Direct Debt / Operating Revenues
  - 3 Year Average of Adjusted Net Pension Liability / Full Value (%)
  - 3 Year Average of Adjusted Net Pension Liability / Operating Revenues
  - Unusually strong or weak security features
  - Unusual risk posed by debt/pension structure
  - History of missed debt service payments

Providing Financial Advice Based on Internal Experience

Many public agencies utilize all or a portion of the above as a basis for determining debt affordability. We believe that ***the credit rating metrics are best used to appraise the likelihood of debt repayment. In order to determine the District's ability to repay debt, we must evaluate several measures that would directly speak to debt affordability***. These measures include the following.

- Ongoing and one-time revenues available for capital projects
- A three-five year history of the District's performance in the general fund
- Explore areas where cost savings may be achieved such as the use of debt refinancing, solar energy efficiency and other cost avoidance projects
- The assessment of public-private partnerships
- Surplus land and property utilization
- Internal borrowings and contributions
- Partnerships with other government agencies and non-profit groups
- The use of various debt structuring techniques that can assure that repayment through matching reasonably certain revenue with debt and new operating expenditures
- Consideration of existing scheduled debt service

Providing Financial Analysis Based on the Bond Market

Once the debt capacity analysis is incorporated into the capital funding plan, Capitol PFG would provide the District with its finding and recommendations supported by financial analysis and market analysis.

Market analysis would analyze several elements including the following:

- Type of bonded debt
- Market Survey analyzing similar financings
- Recommended bond structure with alternative bond structures as needed
- Bond Terms
    - Bond Sizing to reflect projected needs, project timing and costs
    - Security for bond issuance
    - Qualification for tax-exempt debt and issues affecting taxability
    - Capitalized Interest
    - Adjustable, fixed and "step-up" interest rates
    - Prepayment options
    - Length of bond
    - Principal amortization (accelerated, level, deferred)
- Costs of Issuance
- Interest Rates
- Bonded Debt Service
- Credit Rating
- Debt Capacity
- Potential Debt Covenants
- Conformity with existing policies
- Other options including relevant financial products or financing mechanisms

Putting Together Market Awareness with District Needs

Using the capital funding plan combined with Board policies and an understanding of the District's overall financial position, Capitol PFG is able to identify and evaluate debt financing and refinancing options available. Based on the use of funds, revenue and security Capitol PFG can determine the financing mechanism appropriate for the District.

Communications

Communication and transparency are essential when funding and financing capital improvements. Capitol PFG will coordinate with the District throughout the entire process to ensure the District's needs, priorities, and political sensitivities are reflected in the capital funding plan. Spreadsheet analysis will be converted into charts and graphs to better communicate key needs and challenges to decision -makers with input and direction from the District on key areas of focus and concern. Capitol PFG will provide the District with options regarding the financing plan based on market conditions and a risk assessment and ensure an understanding of the basis for the recommended options. These options will be narrowed down first based on discussions with District staff, then with input from any stakeholders and the Board. Ultimately, Capitol PFG will prepare a final financing plan with a viable back-up plan, should market conditions change. This is set up to ensure the District receives the lowest cost of funds on any financing incurred.

Capitol PFG can provide support to staff or take the lead in any presentation to the Board of Trustees. Our role varies for each client and we are comfortable with the approach that works best with the District's culture. We typically prepare a presentation that can be presented by our team or by District staff. In concept, the presentation would include a summary of the capital needs and estimated costs ranked by priority. It would then identify available funding sources and demonstrate their sufficiency in the aggregate. If funding sources aren't sufficient, we would identify possible funding solutions for consideration. The presentation would then address the project cash flow and identification of any shortfalls, followed by debt financing strategies that could be used to address the shortfalls. When presenting the financing plan, we would also address recommended financing options and the risks, costs, mitigation efforts and benefits of each as well as the market conditions that have driven the recommendation. Finally, we would provide the Board with a plan to implement the capital funding plan. We would make adjust the plan to reflect concerns or desires identified by the Board.

Capitol PFG has no contractual arrangements that could present a real or perceived conflict of interest.

SECTION 6 – REFERENCES

San Benito High School District (2016-present, 6 Years)
Shawn Tennenbaum, Superintendent
stennenbaum@sbhsd.k12.ca.us
(831) 637-5831

Dollar value of services through 11/30/2021: $577,731

- Represent District in all aspects of City of Hollister 2040 General Plan update
- Government outreach with County and community stakeholders of San Benito and City of Hollister
- Facility Master Planning
- Facility funding plan creation and implementation
- Development negotiations
- Continuing Disclosure
- GO Bond measure planning and implementation
- Financings
    - GO Bonds - Educational Facility construction
    - GO Refunding Bonds – Taxpayer Savings
    - Tax-exempt Lease Financing – Solar and Energy conservation financing
    - Clean Renewable Energy Bonds – Solar Generation projects

Sierra College (2005-present, 16 Years)
Willie Duncan, President
wduncan@sierracollege.edu
(916) 916-660-7601

Dollar value of services through 11/30/2021: $697,600

- Facility funding plan creation and implementation
- GO Bond measure planning and implementation
- Property tax base analysis and revenue estimating
- Student housing project financial analysis
- Economic benefit analysis
- Financings
    - GO Bonds - Educational Facility construction
    - GO Refunding Bonds – Taxpayer Savings
    - Tax and Revenue Anticipation Notes – Cash Flow financing
    - Tax-exempt Lease Financing - Educational Facility construction

Western Placer Unified School District (2007-present, 15 Years)
Audrey Kilpatrick, Assistant Superintendent,
Business & Operations
akilpatrick@wpusd.k12.ca.us
(916) 645-6350

Dollar value of services through 11/30/2021: $1,877,764

- Property tax base analysis and revenue estimating
- Facility Master Planning
- Facility funding plan creation and implementation
- Development negotiations
- Continuing Disclosure
- General Obligation Bond (GO Bond) measure planning and implementation
- Stakeholder meeting facilitation
- Budgetary funding analysis
- Financings
    - Community Facility District Bonds – Educational Facility construction
    - GO Bonds - Educational Facility construction
    - Certificates of Participation - Educational Facility construction
    - Refunding Certificates of Participation – District Savings
    - Lease Revenue Notes - Educational Facility construction
    - Bond Anticipation Notes - Educational Facility construction
    - Tax and Revenue Anticipation Notes – Cash Flow financing

Modesto City Schools (2018-present, 4 Years)
Tim Zearley, Associate Superintendent, Business Services
zearley.t@monet.k12.ca.us
(209) 574-5831

Dollar value of services through 11/30/2021: $324,060

- Facility funding plan creation and implementation
- GO Bond measure planning and implementation
- Developer Fee Studies
- Continuing Disclsoure
- Financings
    - GO Bonds - Educational Facility construction
    - Tax-exempt Lease Financing – Solar Generation projects

Plumas Unified School District (2015-present, 7 Years)
Lisa Cavin, Deputy Superintendent, Business Services
lcavin@pcoe.k12.ca.us
(530) 283-6500

Dollar value of services through 11/30/2021: $443,772

- Facility Master Planning
- GO Bond measure planning and implementation
- Developer Fee Studies
- Continuing Disclsoure
- Financings
    - GO Bonds - Educational Facility construction
    - GO Refunding Bonds – Taxpayer Savings
    - Tax-exempt Lease Financing – Energy conservation and District Office projects

Central Union High School District (2016-present, 6 Years)
Arnold Preciado, Deputy Superintendent, Business Services
arnold@cuhsd.net
(760) 336-4506

Dollar value of services through 11/30/2021: $213,085

- GO Bond measure planning and implementation
- Continuing Disclsoure
- Financings
    - GO Bonds - Educational Facility construction
    - GO Refunding Bonds – Taxpayer Savings

SECTION 7 – RATIONALE FOR SELECTION

When considering the best financial advisor for the District, we encourage you to consider the many ways that Capitol PFG differs from the typical financial advisor.

Quality of Service

Capitol PFG is a top brand financial advisor providing public finance services exclusively to California school districts and local governnments. Our company and personnel have longevity in working together and are commited to delivering the very best service to our clients. We are thoughtful in providing advice and do so in a manner that is responsive to the needs of our clients. At Capitol PFG you will always find a principal of our firm to answer your phone calls, respond to your e-mails and show up for the District at meetings. You can have confidence in the work product that we deliver. Our work product will always be customized to your financial, legal and political objectives.

Extension of your Business Office

With every transaction, Capitol PFG will vigorously advocate for the financial interests of the District. Our principals will understand the details of your finances, your tax base and your stakeholders. We will look for every opportunity to enhace the District's bargaining position and deliver financial strategies that place the Districts interests before our own. Other financial advisors routinely negotiate transactions that can be refinanced multiple times to generate extra fees. We pride ourselves on negotiating a financing at the best and lowest price the first time making it extremely hard to find additional value that can be squeezed out at a later date.

Communication

Capitol PFG prides itself on breaking down complex financings into simple, understandable and transparent points that can be easily understood so that the District can make informed financial decisions. Our clients can testify to our clearly presented data and our ability to follow up with final results that meet and usually exceed information that was previously presented to their board.

Uniqueness

Capitol PFG offers arguably the largest breadth and depth of public finance consultant services of any of the major financial advisors. Our work extends well beyond schools into cities, counties, special districts in many regions throuought the state. This depth and breadth of service allows us to arrive on the job with all of the experience, technical proficiency and awareness that is needed to represent the Alum Rock Union Elementary School District. We look forward to sharing our capabilities with you.

SECTION 8 – FORM OF AGREEMENT

Capitol PFG has no objections to the form of Agreement.

SECTION 9 – DOCUMENTATION OF FINANCIAL RESPONSIBILITY AND FISCAL STABILITY

Capitol PFG is organized as a private limited liability corporation. The LLC is owned and operated by Jeffrey Small, Cathy Dominico and Christopher Terry. The LLC is not publically owned nor does it have a credit rating, line of credit or audited financial statements.

First Foundation Bank holds Capitol PFG's business accounts. Capitol PFG is in good standing with First Foundation Bank. At all times, Capitol PFG has maintained its accounts as agreed with no late payments or overdraft accounts.

Capitol PFG authorizes the District to confirm Capitol PFG's good standing by contacting Scott Alward, Vice President, Portfolio Manager of First Foundation Bank at (949) 299-5488.

SECTION 10 – LITIGATION/DISPUTES/DISCIPLINARY ACTION

Since its existence, Capitol PFG has never been subject to any claims, judgements, litigation or any disciplinmary actions.

SECTION 11 – FEE PROPOSAL

Capitol PFG is providing the following financial advisory fee schedule to the District for public offering and direct placement debt issuances. For issuances sold on the same day, the issuances subsequent to the first issue would be at 50% of our proposed fee. For example, if the District priced two public offering new money General Obligation Bonds and one Refunding General Obligation Bond on the same day, the proposed fee would be $87,500.

Debt Issuance Fee Schedule		
Debt Type	**Public Offering**	**Direct Placement**
General Obligation Bonds	$45,000	$30,000
Certificates of Participation	$45,000	$30,000
Tax and Revenue Anticipation Notes	$12,500	n/a
General Obligation Bonds (Refunding)	$40,000	$25,000
Certificates of Participation (Refunding)	$40,000	$25,000
Bond Anticipation Notes	$25,000	$17,500

We are well suited to provide additional consulting services to the District on an "as-needed" basis. Strategic consulting services would cover any on-call financial consulting services requested by the District. **Our hourly rate is $250, billed on a monthly basis**. We do not bill for out-of-pocket expenses such as travel, photocopies, etc. without prior approval.

Capitol PFG can provide the District Continuing Disclosure services at an annual rate of $3,000. The District will be required to submit Annual Debt Transparency Reports for any future issuances of debt. Capitol PFG can prepare these reports for the District for $250 per report.

SECTION 12 – REQUIRED ATTACHMENTS

Attachment A- Proposal Form

Alum Rock Union Elementary School District
Purchasing Department
2930 Gay Avenue
San Jose, CA 95127

Re: Request for Proposal No. 2122-BUS02

To: Members of the Board of Trustees

The undersigned, doing business under the full and complete legal firm name as set forth below, having examined the Notice to Proposers, the entirety of the Request for Proposals, , the Agreement, and all other documents forming a part of the Proposal package for the above-referenced proposal, hereby proposes to perform the Agreement, including all of its component parts, and to furnish all materials called by them for the entire order for the prices set forth in the quotation sheets contained in said proposal package. The entire proposal package is submitted, together with this Proposal Form.

Name of Company: Capitol Public Finance Group

Legal Status: Limited Liability Company
(i.e., sole proprietorship, partnership, corporation)

Tax I.D. Number: 20-2299628
(Sole Proprietorship only)

Address: 2436 Professional Drive, Ste. 300, Roseville, CA 95661

Authorized Representative: Jeff Small
Signature

Jeffrey Small
Name (print or type)

Managing Partner
Title

Date: 1/6/2021

Telephone: 916-641-2734 Fax: 916-921-2734

Email: jsmall@capitolpfg.com

Attachment B - Receipt of Request for Proposal (RFP) and Addenda

Upon return of the completed RFP for Consultant Services, the proposer shall acknowledge receipt of the RFP, all supporting documents, and all addenda. It is the proposer's responsibility to check the District website at https://www.arusd.org/purchasing/bids for addenda. Failure to acknowledge all issued documentation may be grounds for deeming the proposer non-responsive.

Please list each document received and initial where indicated.

	Document Name	Initial
1	RFP dated **December 3, 2021**	JS
2	Addendum 1 (if applicable)	
3	Addendum 2 (if applicable)	
4	Addendum 3 (if applicable)	
5	Addendum 4 (if applicable)	
6	Addendum 5 (if applicable)	
7	Addendum 6 (if applicable)	
8	Addendum 7 (if applicable)	

I, the undersigned, on behalf of the (proposer) certify that I have received all documents listed above.

Jeff Snell
Signature

1/6/2022
Date

Managing Partner
Title

Attachment C – Non-Collusion Declaration

NONCOLLUSION DECLARATION TO BE EXECUTED BY PROPOSER AND SUBMITTED WITH PROPOSAL

The undersigned declares:

I am the Managing Partner (title) of Capitol Public Finance Group (company name), the party making the foregoing proposal.

The proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The proposal is genuine and not collusive or sham. The Proposer has not directly or indirectly induced or solicited any other proposer to put in a false or sham proposal. The proposer has not directly or indirectly colluded, conspired, connived, or agreed with any proposer or anyone else to put in a sham proposal, or to refrain from bidding. The proposer has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal price of the proposer or any other proposer, or to fix any overhead, profit, or cost element of the proposal price, or of that of any other proposer. All statements contained in the proposal are true. The proposer has not, directly or indirectly, submitted his or her proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, proposal depository, or to any member or agent thereof, to effectuate a collusive or sham proposal, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a proposer that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the proposer.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on 1/6/2022 [date], at Roseville [city], CA [state].

Jeff Small

Signature

Jeffrey Small

Name (printed)

Attachment D – Form of Agreement

AGREEMENT FOR FINANCIAL ADVISOR SERVICES

This Agreement for Financial Advisor Services ("Agreement") has been entered into this _____ day of _____, 2022 by and between the Alum Rock Union Elementary School District ("District") and _____ ("Financial Advisor").

WHEREAS, the District desires independent financial advisory services to be performed in connection with the issuance of bonds and debt obligations ("Financing Services"); and

WHEREAS, the Financial Advisor is registered, qualified and licensed to provide Financing Services to the District.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants and conditions hereinafter set forth, it is agreed as follows:

Section 1. Financing Services.

As directed by the District, Financial Advisor will provide services ("Financing Services") in connection with the completion of one or more debt financings as more specifically described in ***Exhibit A*** hereto. Financings may include, without limitation, general obligation bonds, certificates of participation or lease financings, bond anticipation notes, tax and revenue anticipation notes, and refunding of debt ("Debt Financing"). Financial Advisor shall act as a fiduciary to the District in the performance of the Financing Services and Additional Services (defined below).

Section 2. Additional Services.

Financing Services performed for the District by Financial Advisor that are not otherwise specifically identified in ***Exhibit A*** to this Agreement shall be additional services ("Additional Services") performed for additional compensation at the direction of the District. Additional Services include, but are not limited to, the following:

1.01 Assisting District with the calling of a bond election.

1.02 Assisting the District in obtaining enabling legislation.

2.02 Financial management services, including development of financial policies and/or administrative regulations, capital improvement plans, economic development planning, credit analysis (other than preparation for rating agency presentations that may be part of the Financing Services).

2.03 Services rendered in connection with any undertaking of the District relating to a continuing disclosure agreement entered into in order to comply with Securities and Exchange Commission Rule 15c2-12 or other similar rules.

2.04 Services rendered to the District in connection with calculations or determination of any arbitrage rebate liability to the United States of America arising from investment activities associated with a debt financing.

Services and the preparation of the financing documents, including initial and secondary market disclosure. Information obtained by Financial Advisor for inclusion in any disclosure documents shall be provided from credible sources which Financial Advisor in its expertise believes are accurate.

Section 8. Confidentiality.

The Financial Advisor agrees that all financial, statistical, personal, technical and other data and information designated by the District as confidential shall be protected by the Financial Advisor from unauthorized use or disclosure.

Section 9. Indemnification.

The Financial Advisor shall indemnify and hold harmless the District, its governing board, employees, officers, and agents from and against any and all losses, claims, damages, expenses, including legal fees for defense, or liabilities, collectively, damages, to which District may be subjected by reason of Financial Advisor's acts, errors or omissions arising out the performance of the Financing Services and the Additional Services; provided, however, that Financial Advisor shall not indemnify the District from or against damages arising from the intentional or willful misconduct of the District.

Section 10. Insurance.

10.01 Financial Advisor shall maintain workers' compensation and employer's liability insurance during the term of this Agreement.

10.02 Financial Advisor, at its own expense, shall obtain and maintain insurance at all times during the prosecution of this contract. Such insurance must be written with a Best Guide "A"-rated or higher insurance carrier admitted to write insurance in the state where the work is located.

10.03 Certificates of insurance naming the District as an additional insured shall be submitted to the District evidencing the required coverages, limits and locations of operations to which the insurance applies, and the policies of insurance shall contain a 30 day notice of cancellation or non-renewal.

10.04 Insurance coverages shall not be less than the following:

A. Workers' Compensation

1. State worker's compensation statutory benefits
2. Employer's Liability - policy limits of not less than $1,000,000.

B. Commercial General Liability coverage with policy limits of not less than $1,000,000 combined single limit for bodily injury and property damage and including coverage for the following:

1. Premises operations
2. Contractual liability
3. Products
4. Completed operation

C. Errors and omissions with policy limits of $2,000,000.

Section 14. Independent Contractor

Financial Advisor, in the performance of this Agreement, shall be and act as an independent contractor with the sole authority for controlling and directing the performance of the details of the Financing Services and Additional Services, District being interested only in the results obtained. Financial Advisor understands and agrees that he/she and all of his/her employees shall not be considered officers, employees, agents, partner, or joint venture of the District, and are not entitled to benefits of any kind or nature normally provided employees of the District and/or to which District's employees are normally entitled, including, but not limited to, State Unemployment Compensation or Worker's Compensation. Financial Advisor shall assume full responsibility for payment of all federal, state and local taxes or contributions, including unemployment insurance, social security and income taxes with respect to Financial Advisor's employees. If Financial Advisor is not a resident of California and is not exempt from withholding, the District shall withhold California income taxes as required by the Revenue & Taxation Code. Financial Advisor shall still be responsible for payment of all state and federal taxes.

Section 15. Notices

Any notice required or permitted to be given under this Agreement shall be deemed to have been given, served, and received if given in writing and either personally delivered or deposited in the United States mail, registered or certified mail, postage prepaid, return receipt required, or sent by overnight delivery service, or facsimile transmission, addressed as follows:

DISTRICT	FINANCIAL ADVISOR
Alum Rock Union Elementary School District	[FINANCIAL ADVISOR NAME]
2930Gay Avenue	[STREET]
San Jose, CA 95127	[CITY], CA [ZIP CODE]
[FAX]	[FAX]
ATTN: Assistant Superintendent, Business Services	ATTN: _____

Any notice personally given or sent by facsimile transmission shall be effective upon receipt. Any notice sent by overnight delivery service shall be effective the business day next following delivery thereof to the overnight delivery service. Any notice given by mail shall be effective three (3) days after deposit in the United States mail.

IN WITNESS Whereof, the parties have duly executed this Agreement as of the day and year first above set forth.

"DISTRICT"

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

By: _____ Title: _____

Date: _____

ALUM ROCK
UNION ELEMENTARY SCHOOL DISTRICT

2930 Gay Avenue, San José, CA 95127 · Phone: 408-928-6800 · Fax: 408-928-6416 · www.arusd.org

ADDENDUM 1 FOR RFP No. 2122 – BUS02

Financial Advisor Services

Q & A

Q. There is a two page limit for narratives for each area of specialization. In addition to the two page narrative, we would like to attach exhibits listing various types of school district financings (e.g., general obligation bonds, lease/Certificates of Participation, and Tax and Revenue Anticipation Notes) for which we have serviced as bond, disclosure or underwriter's counsel. Are we permitted to include the exhibits listing our deal experience?

A. *No, please limit your response to two-page maximum for each area, maximum of 12 pages if responding to all six areas.*

Please submit a signed copy of this addendum with your RFQ response.

Company Name: Capitol Public Finance Group

Signature: Jeff Small

Print Name: Jeffrey Small Date: 1/6/2022

Hilaria Bauer, Ph.D., Superintendent

Board of Trustees: Corina Herrera-Loera, President · Andrés Quintero, Vice-President
Ernesto Bejarano, Clerk · Linda Chavez, Member · Minh Pham, Member

ALUM ROCK
UNION ELEMENTARY SCHOOL DISTRICT

2930 Gay Avenue, San José, CA 95127 · Phone: 408-928-6800 · Fax: 408-928-6416 · www.arusd.org

ADDENDUM 2 FOR RFP No. 2122 – BUS02
Financial Advisor Services
Q & A

Q. The Form of Agreement mentions contingent fees. Just to be clear, does the District require contingent fees? We ask because we do not work on a contingency fee basis.?

A. As to the first question, fees on a contingency basis are not being required and are in fact not desirable to the District for any proposed "pre-election" services. Pre-election services may be flat fee or hourly, and will not be paid or reimbursed from proceeds of any future bond issue.

That said, the District is familiar with and expects to receive a fixed fee proposal for each bond transaction of a given type (e.g., "new money" bonds, refunding bonds, Certificates of Participation financings, etc.), which fee is contingent upon the successful closing of the transaction and paid from proceeds of the financing. For all municipal advisory services being proposed, whether fixed fee or per-unit/hourly fees, the District will need to receive a proposal with a clear delineation of all fees and expenses being proposed that are related to the service being offered, whether pre-election services, in connection with a bond transaction, or post-issuance services. To the extent any of your firm's services are provided on an hourly billing basis, the District requires that you provide a schedule of your hourly charges for any proposed professionals within the firm (or any subcontractors) providing the services.

Q. Page 7 of the RFP refers to a "pricing sheet". We don't see one in the RFP. Of course, we would include in our proposal document information regarding our fees (non-contingent) per page 16 of the RFP.

A. Pricing sheet or template is not provided in the RFP. However, a pricing sheet needs to be provided by each firm following the instructions on page 16, section 11 under the RESPONSE CONTENT section.

Q. Page 16 of the RFP mentions including attachments A, B, C, and D signed as indicated. Since attachment D is the blank Form of Agreement, and therefore not ready for signature, how would you like to handle this? Perhaps it doesn't need to be included?

A. Attachment D of RFP does not have to be included. This Agreement will be tailored to the awarded firm.

Hilaria Bauer, Ph.D., Superintendent

Board of Trustees: Corina Herrera-Loera, President · Andrés Quintero, Vice-President
Ernesto Bejarano, Clerk · Linda Chavez, Member · Minh Pham, Member

Q. We see in the RFP the overview description of the types of financial advisory services the District may request. Is there a specific financing or project the District is currently considering for 2022, such as perhaps issuing bonds?

A. Issuance of bonds and parcel tax, but may included other services noted in the RFP.

Q. Is there a firm assisting the District with continuing disclosure reporting or is the District preparing and filing the reports entirely on its own? If there is a firm assisting the District, can you please let us know who that is.

A. Yes, we have a firm that is assisting the District with continuing disclosure. The District would like to refrain from disclosing the name of the firm.

Q. We understand that the District's 2016 general obligation bond measure (Measure I) reapproved $139,999,671.60 of bonds originally approved by voters in June 2008 (Measure G) and that, following the successful Measure I election, this amount of remaining Measure G authorization was cancelled. Can you please let us know why the District implemented this plan? Was there something about Measure G that made issuing the $139,999,671.60 bonds pursuant to the original Measure G authorization less attractive or variable (such as wishing to pursue different projects than Measure G authorized)?

A. Please see attached Board Resolution (Exhibit A).

Please submit a signed copy of this addendum with your RFQ response.

Company Name: Capitol Public Finance Group

Signature: Jeff Small

Print Name: Jeffrey Small Date: 1/6/2022

Exhibit A

RESOLUTION NO. _____.

RESOLUTION OF THE BOARD OF TRUSTEES OF THE ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT ORDERING AN ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER

WHEREAS, the Board of Trustees (the "Board") has determined that each public school within the Alum Rock Union Elementary School District (the "District"), needs to be upgraded, repaired, improved, and better equipped, to enable the District to enhance the educational opportunities of all the students in the District and to achieve one of the Board's primary goals of providing comparable schools for all students throughout the District; and

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

WHEREAS, the Board has concluded that the District's only remedy to avoid undermining its educational programs is to secure local funding that the State cannot take away; and

WHEREAS, the Board has received information regarding the possibility of a local bond measure; and

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, on November 7, 2000 the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act ("Proposition 39") which, as of its effective date, reduced the voter threshold for ad valorem tax levies used to pay for debt service or bonded indebtedness to 55% of the votes cast on a school district general obligation bond; and

WHEREAS, concurrent with the passage of Proposition 39, Chapter 1.5, Part 10, Division 1, Title 1 (commencing with 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 which are contained in Proposition 39 and the Act; and

WHEREAS, on June 3, 2008, the District's voters approved Measure G, a $179 million bond measure ("Measure G") under the provisions of Proposition 39; and

WHEREAS, the District has issued $39,000,328.40 of bonds under Measure G 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 G 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, in accordance with the opinion of the Attorney General of the State of California, that the restrictions in Proposition 39 which prohibit any bond money from being wasted or used for administrative salaries or other operating expenses of the District be strictly monitored by the 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, including any ballot pamphlet prepared, sponsored or distributed by the District, relating to the election; and

WHEREAS, the Board now 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, 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 7, 2016, and to request that the Santa Clara County Registrar of Voters 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. That the Board, pursuant to Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506, hereby requests 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 not to exceed $139,999,671.60 (the "Bonds") shall be issued and sold for the purpose of raising money for the purposes 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 G bonds in a like amount.

Section 2. That the date of the election shall be June 7, 2016.

Section 3. That the purpose of the election shall be for the voters in the District to vote on a proposition, a copy of which is attached hereto and marked Exhibit "A" and incorporated by reference herein, 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 proposition in Exhibits "A" and "B" are subject to the following requirements and determinations:

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

(b) that the Board, in establishing the projects set forth in Exhibit "B," evaluated the safety, class size reduction and information technology needs of the District as well as the importance of the projects to student achievement and enhanced instruction;

(c) that the Board will cause to be conducted an annual, independent performance audit to ensure that the Bond moneys get expended for the projects identified in Exhibit "B" hereto;

(d) that the Board will 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 the District receiving the above-described audits, responses to any and all findings, recommendations, and concerns addressed in said audits, and review said responses; and

(f) that the tax levy authorized to secure the Bonds of this election shall not exceed the Proposition 39 limit per $100,000 of taxable property in the District when assessed valuation is projected by the District to increase in accordance with Article XIIIA 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 Sections 5322 of the Education Code.

Section 6. That 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 7, 2016 within the District.

Section 7. That the Secretary of the Board is hereby directed to send a certified copy of this Resolution to the Santa Clara County Registrar of Voters no later than March 11, 2016.

Section 8. That the Bonds shall be issued pursuant to Section 15264 *et seq.* of the Education Code or Section 53506 of the Government Code. The maximum rate of interest on any Bond shall not exceed the maximum rate allowed by Education Code Sections 15140 to 15143, as modified by Government Code Section 53531.

Section 9. That the Board requests the governing body of any such other political subdivision, or any officer otherwise authorized by law, to partially or completely consolidate such election and to further provide that the canvass of the returns of the election be made by anybody or official authorized by law to canvass such returns, and that the Board consents to such consolidation. The Board further authorizes the submission of a tax rate statement and primary and rebuttal arguments, as appropriate, to be filed with the Santa Clara County Registrar of Voters by the established deadlines.

Section 10. 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 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 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 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 27th day of February, 2016.

BOARD OF TRUSTEES OF THE ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

By _____
President

Attest:

_____
Secretary

STATE OF CALIFORNIA)
)
SANTA CLARA COUNTY)

I, Dr. Hilaria Bauer, do hereby certify that the foregoing is a true and correct copy of Resolution No. _____, which was duly adopted by the Board of Trustees of the Alum Rock Union Elementary School District at meeting thereof held on the 27th day of February, 2016, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

By _____
Secretary

EXHIBIT A

"To improve local neighborhood schools, fix leaky, deteriorated roofs, improve fire safety, repair/ upgrade classrooms, improve student safety and security, renovate outdated restrooms, upgrade heating/ventilation/electrical systems for energy efficiency, and computer technology, shall $139,999,671.60 of Alum Rock Union Elementary School District bonds approved by the voters in June 2008, be reapproved at legal rates to renovate, acquire, construct, repair classrooms, sites, facilities/ equipment, with independent audits, citizens' oversight, no money for administrators' salaries and all money controlled locally?"

Bonds - Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION
OF THE ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT
BOND MEASURE ELECTION JUNE 7, 2016

"To improve local neighborhood schools, fix leaky, deteriorated roofs, improve fire safety, repair /upgrade classrooms, improve student safety and security, renovate outdated restrooms, upgrade heating/ventilation/electrical systems for energy efficiency, and computer technology, shall $139,999,671.60 of Alum Rock Union Elementary School District bonds approved by the voters in June 2008, be reapproved at legal rates to renovate, acquire, construct, repair classrooms, sites, facilities/ equipment, with independent audits, citizens' oversight, no money for administrators' salaries and all money controlled locally?"

SCHOOLS PROJECT LIST

The Board of Trustees of the Alum Rock Union Elementary School District evaluated the District's urgent and critical facility needs, including safety issues, enrollment trends, class size, energy efficiency and computer technology, in developing the scope of projects to be funded. In developing the scope of projects, teachers, staff and community members have prioritized the key health and safety needs so that the most critical facility needs are addressed. The Board conducted a facilities evaluation and received public input and review in developing the scope of facility projects to be funded. This input concluded that if these needs were not addressed now, the problem would only get worse. **In approving this Schools Project List, the Board of Trustees determines that the District MUST:**

(i) Install and upgrade fire prevention, security and emergency response systems, including safety locks and fencing at school sites so that all students are safe; and

(ii) Repair aging schools including leaky roofs and install and upgrade heating, cooling and ventilation systems to make them more energy efficient; and

(iii) Maximize its resources through efficient facility and financial management, seek energy and utility cost savings, and only spend any local bond money on projects within the District and shall NOT ALLOW BOND MONIES TO BE TAKEN BY THE State; and

(v) Improve instructional technology in classrooms; and

(vi) Insist that all schools be healthy and safe from fire dangers, earthquake risks, and hazardous materials, such as asbestos and mold.

The Schools Project List includes the following types of upgrades and improvements throughout the District:

Renovation, Repair and Upgrade Projects

Goal and Purpose: Many local elementary and middle schools need significant repairs. This measure will fix aging classrooms, bathrooms, and leaky roofs, replace outdated security systems, fire alarms and sprinklers so children can learn in safe, healthy classrooms.

- Modernize or construct classrooms, science labs, and school facilities.
- Replace or repair deteriorating pipes, plumbing and sewer systems and leaky roofs.
- Repair aging classrooms, bathrooms and school buildings.
- Provide improved, up-to-date technology infrastructure.
- Replace old deteriorating portable classrooms.
- Replace or repair outdated heating, ventilation, air-conditioning and electrical systems.
- Upgrade outdated electrical and energy management systems.
- Renovate or expand multi-purpose rooms/ cafeterias to accommodate more students.
- Renovate libraries, construct gyms and upgrade play fields.

Improve Student Safety and Security Projects

Goal and Purpose: The District needs to upgrade elementary and middle school security to keep children and teachers safe. This measure funds upgrades to fire alarms and sprinklers, and up-to-date security systems to prevent intruders from entering campuses and improves security and communication systems for emergency school lockdowns.

- Upgrade perimeter fencing, fire alarms, sprinklers and fire safety systems for improved student safety.
- Upgrade emergency communication and closed circuit security systems to improve student and staff safety.
- Improve or provide access for students or teachers with disabilities.
- Retrofit schools to meet earthquake safety standards.
- Improve safety at student pick-up and drop-off areas.
- Replace outdated portable classrooms.

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

Goal and Purpose: This measure will ensure that all students get access to computers and the instructional technology in the classroom they need. It will fix outdated electrical wiring, improve science and computer labs and improve access to computers.

- Provide instructional technology for students.

- Upgrade electrical wiring and classroom technology.
- Upgrade computer and science labs.
- Construct science, technology, engineering and math classrooms.

* * *

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 Schools 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 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 every classroom 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 constructing, upgrading, repairing or installing of school site parking, campus accessibility, utilities, playground equipment, hard court surfaces, general site paving, learning walls, tack boards, cabinets, tutoring rooms, restrooms, indoor and outdoor lighting, water heaters, boilers, walkway covers and casework, signage, fire sensors, outdated heating and air conditioning systems, multipurpose rooms used for after-school programs, assemblies, sports, performing arts and serving meals, playgrounds, play fields including turf, food service facilities, enlarge, upgrade or build multipurpose rooms, media/library centers, kitchens and lunch shelters, site classrooms and administration buildings, staff lounges; construct or upgrade child care facilities; reconfigure parking lots and drop off/pick up zones to improve student safety; 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, windows and floor coverings (including tiles and carpeting); build or upgrade irrigation systems; 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. 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.

CANCEL MEASURE G. District voters previously approved Measure G at an election held in the District on June 3, 2008. However, due to State law limitations imposed on the issuance of bonds under Measure G, the District estimates that it will be unable to issue any additional Measure G bonds in the immediate future. The Board of Trustees of the District has found and determined that there continues to be an urgent need in the District for the completion of the educational projects approved by the District voters under Measure G, and that no other District resources are available to finance such projects. If the bonds are approved and issued, the Board of Trustees of the District has covenanted that it will cancel and shall not authorize the issuance of Measure G bonds in a like amount.

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.