RESOLUTION NO. 17-18-67

RESOLUTION OF THE BOARD OF EDUCATION OF THE VISALIA UNIFIED SCHOOL DISTRICT ORDERING A SCHOOL BOND ELECTION ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS OCCURRING ON NOVEMBER 6, 2018

WHEREAS, the Visalia Unified School District (the "District") is a unified school district serving kindergarten through 12th grade, duly organized under the laws of the State of California;

WHEREAS, the Board of Education of the District (the "Board") is authorized, upon a two-thirds vote of the Board, to pursue the authorization and issuance of bonds by a 55% vote of the electorate on the question of whether bonds of the District (the "Bonds") shall be issued and sold for specified purposes, under Article XIIIA Section 1 paragraph (b) of the California Constitution ("Article XIIIA") and under the Strict Accountability in Local School Construction Bonds Act of 2000 at Education Code Section 15264 et seq. (the "Strict Accountability Act");

WHEREAS, under the Strict Accountability Act, the election may be ordered at a primary or general election, a regularly scheduled local election, or a statewide special election;

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, 2018, and to request the Tulare County Registrar of Voters (the "County Registrar") to perform certain election services for the District; and

WHEREAS, the Board deems it necessary and advisable to call an election to submit to the electors of the District the question of whether bonds 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.

NOW, THEREFORE, be it resolved by the Board of Education of the Visalia Unified School District, Tulare County, California, as follows:

Section 1. **Election Order.** 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 for the purposes described in the ballot measure approved under Section 3 and attached hereto as Exhibits A and A-1, and paying costs incident thereto. This Resolution constitutes the order of the District to call such election and shall constitute the "specifications of the election order" pursuant to Education Code Section 5322.

Section 2. **Authority for the Election; Election Date.** Pursuant to Education Code Sections 5304 and 5322, the Strict Accountability Act, and Article XVI, Section 18(b) of the California Constitution, an election shall be held within the boundaries of the District on November 6, 2018.

Section 3. **Purpose of Election; Ballot Measure.** The purpose of the election shall be for the voters in the District to vote on a measure, a full copy of which is attached hereto as Exhibit A and marked "Exhibit A, Ballot Measure, Full Text of the Measure" (the "Full Text of the Measure"), containing the question of whether the District shall issue the Bonds for the purposes stated therein, together with the accountability requirements of Article XIIIA and the requirements of Section 15272 of the Strict Accountability Act. The Full Text of the Measure, which commences with the heading "Ballot Measure, Full Text of the Measure" and includes all of the text thereafter on Exhibit A, shall be printed in the voter information pamphlet provided to voters, with such measure designation as is assigned to the measure. As required by Elections Code Section 13247 and Education Code Section 5322, the abbreviated form of the measure to appear on the ballot is attached hereto as Exhibit A-1 and is marked as "Exhibit A-1, Ballot Measure, Abbreviated Form" (the "Abbreviated Ballot Measure).

Section 4. **Use of Bond Proceeds.**

a. Proceeds from the sale of the bonds may be used only for the purposes specified in Article XIII A, section 1(b)(3) of the California Constitution.

b. The projects that may be funded from proceeds from the sale of bonds (the "Projects"), are listed in the Full Text of the Measure.

Section 5. **Accountability Requirements.**

a. Pursuant to Article XIIIA, section 1(b)(3), the Board shall conduct an annual, independent performance audit to ensure that the bond funds have been expended only on the specific Projects listed in the Full Text of the Measure.

b. Pursuant to Article XIIIA, section 1(b)(3), the Board shall conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of the proceeds have been expended for the Projects listed in the Full Text of the Measure.

c. Pursuant to Government Code section 53411, the Chief Financial Officer of the District shall issue an annual report to the Board containing the amount of funds collected and expended as well as the status of the Projects authorized in the Full Text of the Measure. The District's adopted budget or Audit Report will suffice for this purpose.

d. Pursuant to the Strict Accountability Act, if not already accomplished, within 60 days of the date the Board enters the election results on its minutes, the Board will appoint a citizens' oversight committee to review and report on the proper expenditure of taxpayers' money for school construction.

Section 6. **Vote Required.** Pursuant to Section 18(b) of Article XVI and Section 1 of Article XIII A of the California Constitution, the bond measure shall become effective only upon affirmative vote of fifty-five percent (55%) of those voters voting on the measure.

Section 7. **Delivery of this Resolution; County Registrar of Voters to Call and Conduct Election.** The Superintendent, or his designee, is hereby directed to send a copy of this Resolution, along with the Tax Rate Statement described in Sections 9 and 11 below (and defined therein) and attached hereto as Exhibit B to (1) the County Registrar, (2) the Superintendent of Schools of Tulare County, and (3) the Clerk of the Board of Supervisors of Tulare County by August 10, 2018, or such other date as is acceptable to each party.

Pursuant to Section 5303 of the Education Code, the County Registrar is hereby requested to take all steps to prepare for and hold the election within the boundaries of the District in accordance with law and these specifications.

Section 8. **Consolidation with Other Elections.** Pursuant to Sections 5342, 15121, and 15266 of the Education Code and Part 3 (commencing with Section 10400) of Division 10 of the Elections Code, the County Registrar and the Board of Supervisors of Tulare County (the "Board of Supervisors") are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 6, 2018 within the District. Pursuant to Section 10403 of the Elections Code, the Board hereby acknowledges that the consolidated election will be held and conducted in the manner prescribed by Section 10418 of the Elections Code.

Section 9. **Services of County Registrar of Voters.** Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors is requested to permit the County Registrar to render all services incident to the preparation for and holding of the election, for which services the District agrees to reimburse Tulare County in full from District funds upon presentation of a bill from the County, such services to include the publication of a formal notice of school bond election and the mailing of the Full Text of the Measure, the Abbreviated Measure, and the tax rate statement (described in Elections Code Section 9401) (the "Tax Rate Statement"). The Board hereby requests the County Registrar to publish in the ballot materials, the Full Text of the Measure, the Abbreviated Ballot Measure, and the Tax Rate Statement attached hereto as Exhibits A, A-1 and B.

Section 10. **Canvass of Returns.** The Board of Supervisors is authorized to canvass the returns of the election pursuant to Section 10411 of the Elections Code.

Section 11. **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 Board hereby approves the form of the Tax Rate Statement.

Section 12. **State Matching Funds.** Some of the Projects may require state matching funds for completion. Approval of the District's bond measure does not guarantee that the proposed Projects will be funded beyond the local revenues generated by this bond measure. The District's completion of some of the Projects may depend on receipt of State funds.

Section 13. **Encumbrance of Bond Funds.** For the purpose of making bond funds unavailable as rent within the meaning of Education Code section 17032, the Board hereby encumbers all funds to be generated by the sale of the Bonds in order to pay for the acquisition and construction of the Projects authorized by the ballot measure.

Section 14. **Official Intent to Reimburse Expenditures.** The District intends to undertake the acquisition, construction, renovation, furnishing, and equipping of the Projects as described in the Full Text of the Measure. The District intends to use the proceeds of its Bonds described in this Resolution to finance the Projects. The District may pay certain capital expenditures (the "Reimbursement Expenditures") in connection with the Projects prior to the issuance of the Bonds. The Bonds, in the amount set forth in Exhibit A-1, will be issued for the purpose of financing the Projects on a long-term basis and certain of the proceeds of such debt obligations may be used to reimburse the District for these expenditures.

The Board hereby declares the District's official intent to use a portion of the proceeds of the Bonds to reimburse the District for the Reimbursement Expenditures. The foregoing statement is a declaration of official intent that is made under and only for the purpose of establishing compliance with the requirements of Treasury Regulations section 1.150-2.

Section 15. **General Authorization with Respect to the Bond Measure and with Respect to this Resolution.** The Superintendent and the Superintendent Administrative Services or any designee of the foregoing, are hereby authorized and directed to undertake any and all actions and to modify, execute, deliver any and all documents, and to perform or take any and all actions, deemed necessary to meet all requirements of applicable law, including any legislative changes, and to effectuate the purposes of this Resolution and its accompanying documents. Such actions on the part of the Superintendent, the Assistant Superintendent of Administrative Services, or any designee of the foregoing may include, but are not limited to, making any changes to this Resolution, the Full Text of the Measure, the Abbreviated Ballot Measure, or the Tax Rate Statement (hereinafter the "Ballot Documents"). In the event of any such modifications to the Ballot Documents, the Superintendent, the Assistant Superintendent of Administrative Services, or any designee of the foregoing are hereby further authorized to supplement or replace the original versions of such documents with the versions modified pursuant hereto. Such modified versions shall thereafter be deemed to constitute the final, complete and approved version of the Ballot Documents for all intents and purposes, including for delivery of the Ballot Documents to the County Registrar and other parties as set forth in Section 7 above and for publication in the ballot materials as set forth in Section 9 above. All actions heretofore taken by the Superintendent, the Assistant Superintendent Administrative Services or any designee of the foregoing that are in conformity with the purposes and intent of this Resolution are hereby ratified, confirmed, and approved in all respects.

Section 16. **Effective Date.** This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the following vote of the members of the Board of Education of the Visalia Unified School District, of Tulare County, State of California, this 26th day of June 2018:

AYES: Crabtree, Fulmer, Guerrero, Qualls, Ulmschneider, Vazquez

NOES: None

ABSENT: None

ABSTAIN: None

BOARD OF EDUCATION OF THE VISALIA UNIFIED SCHOOL DISTRICT

William A. Fulmer
President of the Board of Education

ATTEST:

Todd Oto, Ed.D.
Secretary of the Board of Education

EXHIBIT A

BALLOT MEASURE
FULL TEXT OF THE MEASURE

Upon the passage of Measure _____, as set forth in the ballot, the Visalia Unified School District (the "District") shall be authorized to issue bonds in the aggregate amount shown in Exhibit A-1 (the "Bonds"), bearing interest at rates not exceeding the statutory limit, for the purpose of funding the school facilities projects listed below (the "Projects") at the District's school sites and properties.

Bond Accountability Measures

The Board certifies that it evaluated safety, class size reduction, and information technology needs in developing the list of the Projects set forth below.

The Board will conduct financial and performance audits annually to account for the Bond funds and for their expenditure on the specific authorized projects.

The Board will appoint a citizens' oversight committee (the "Citizens' Oversight Committee") having a minimum of seven members and including at least one member active in a business organization representing the business community located within the District, one member active in a senior citizens' organization, one member active in a bona fide taxpayers' organization, one member who is the parent or guardian of a child enrolled in the District, and one member who is both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization.

The Project List set forth below describes the specific projects the District proposes to finance with proceeds of the Bonds.

Proceeds from the sale of bonds authorized by this measure shall be used only for the construction, reconstruction, rehabilitation, or replacement, along with related costs of school facilities as set forth herein, including the furnishing and equipping of said school facilities, or the acquisition or lease of real property for said school facilities.

Bond Project List

Specific projects that may be funded by the Bonds include without limitation, the following:

- Modernization of classrooms and facilities at any District school site.

- Install/update/replace/repair American Disability Act systems as required by current codes and/or the Division of the State Architect. These systems could include, but are not limited to: accessible ramps to portable classrooms; detectable warning surface on paving edge; install/repair handrails; install/replace signage; install curb ramps; install accessible doors; install/repair accessible restrooms, for both students and staff;

install/repair accessible drinking fountains; install/repair site asphalt and/or concrete for path of travel, parking and accessibility; field improvements related to restrooms, accessibility and viewing, etc.

- Replace/repair/construct and equip science labs at middle schools and high schools.
- Replace/repair roof and roof drainage systems. Replace damaged areas due to dry rot.
- Replace/repair/upgrade electrical systems to current standards.
- Replace/repair heating and ventilation systems with new energy efficient systems.
- Replace/repair plumbing systems, including repair/removal/replacement of boiler systems.
- Replace/repair play equipment and upgrade fall protection systems.
- Replace/repair/construct library, multi-purpose, gymnasium, athletic, field, classroom, office and support spaces, and/or computer lab facilities.
- Replace/repair public address, intercom, clock, bell, telephone and/or VOIP systems.
- Replace/repair technology systems necessary for student learning, efficient operations, security, increased capacity and/or processing speed.
- Replace/repair security/surveillance systems, add additional systems where needed.
- Repaint interior and/or exterior spaces.
- Replace/repair flooring systems.
- Replace/repair/improve safety of physical education facilities.
- Install/update/replace/repair fire and life safety systems as required by current codes and/or the Division of the State Architect. These systems could include, but not be limited to: Ansul systems; panic door hardware; fire suppression systems; remove unrated space; upgrade existing spaces for fire safety; kitchen and kitchen equipment upgrades, etc.
- Install energy management systems, to promote energy efficiency and cost reduction.
- Replace/repair interior and exterior lighting systems and controls.
- Replace/repair fields and hardscape areas, including automating irrigation systems.

- Replace/repair asphalt paving, including correction of drainage problems. Replace asphalt systems site-wide if necessary.

- Upgrade student and staff restrooms to current standards including accessibility.

- Install energy conservation and/or generation projects, including, but not limited to: photo voltaic, thermal, battery storage, and/or similar systems.

- Install components to enable projects to participate in CHPS, LEED, Savings by Design and similar programs and/or certifications.

- New construction and/or modernization projects, which could include charter school facilities, and which will likely generate State matching, or grant funds. The District could proceed with a project(s) to take advantage of additional State funds.

- Construct new comprehensive high school for 1,800 students, with gymnasium, theater, aquatic center, stadium, fields, outdoor athletic facilities, field lighting, and other related amenities.

Bond Program Management Costs

Bond Project expenditures may also include:

Program Costs: Staffing and other general and administrative costs to manage and execute the Bond Program.
Escalation Reserve: Reserve for unanticipated price inflation costs.
Program Reserve: Reserve for unanticipated scope costs or for unanticipated opportunities to enhance project scope or schedules.

For any of the Bond Projects described above with respect to construction at an existing District site, the District is authorized to identify an alternate site and/or acquire land for such purpose and construct the approved project at such site if the District has determined that the existing site does not satisfy the requirements of the Division of State Architect or other local, State, or federal laws, codes, and regulations applicable to public school sites.

The allocation of Bond proceeds may also be affected by the final costs of each project.

Necessary site preparation/grading/restoration may occur in connection with new construction, reconstruction, rehabilitation or replacement, furnishing and equipping, including ingress and egress, removing, replacing or installing irrigation, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, leases, licenses, or rights of way to the property.

Additional Specifications

Listed projects may be completed at any and all school sites where such project is determined necessary. Where economically feasible, buildings, fixtures, and equipment may be

replaced rather than modernized, renovated, or repaired. Each project is assumed to include its share of costs of the election and bond issuance, legal fees and expenses, architectural, engineering, and similar planning costs, construction management, Project staff, staff training expenses associated with new bond-funded equipment and systems, and a customary contingency for unforeseen design and construction costs. In addition to the projects listed above, the Projects also include the acquisition of land, instructional, maintenance and operational furniture and equipment, payment of the costs of preparation of all facilities planning and project implementation studies, feasibility and assessment reviews, master planning, environmental studies, and temporary housing for dislocated programs or activities caused or necessitated by construction projects. Listed projects, repairs, improvements, rehabilitation projects, and upgrades will be completed only as feasible, and the Project List does not imply a particular prioritization among such improvements, which remains the province of the Board by subsequent action

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

Other Terms of the Bonds. When sold, the Bonds shall bear interest at an annual rate not exceeding the statutory maximum. The Bonds may be issued and sold in several series and in accordance with a plan of finance determined by the Board pursuant to requirements of law.

Project Requiring State Matching Funds. Approval of the District's Bond Measure does not guarantee that the proposed District Projects that are the subject of the Measure will be funded beyond the local revenues generated by the Measure. Some of the District's projects may assume the receipt of state matching funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.

EXHIBIT A-1

BALLOT MEASURE
ABBREVIATED FORM

"To protect quality education with funding that cannot be taken by the State, shall Visalia Unified School District: upgrade classrooms, labs and computer systems to support science, technology, English, arts and math; prevent school/classroom overcrowding; and improve school safety/security; by issuing $105,300,000 in bonds at legal rates, repaying an annual average of $7,560,000 for 30 years, at approximately $36 per $100,000 of assessed value, with independent oversight, no money for administrators, and all funds staying local?"

Bonds—Yes Bonds—No

EXHIBIT B

TAX RATE STATEMENT
VISALIA UNIFIED SCHOOL DISTRICT

An election will be held in the Visalia Unified School District (the "District") on November 6, 2018, to authorize the sale of up to $105,300,000 in bonds (the "Bonds") of the District to protect quality education with funding that cannot be taken by the State, by upgrading classroom, labs and computer systems to support programs in science, technology, English, arts and math; and upgrading and constructing high school classroom and other school facilities to prevent overcrowding; and modernizing and constructing classrooms and educational facilities to meet current safety codes; with independent oversight, no money for administrators' salaries, and all funds staying local. Specifically, Bond proceeds shall be utilized for the purposes of acquisition, construction, renovation, furnishing, and equipping of school facilities, support facilities, and equipment.

If the Bonds are authorized and sold, debt service thereon will be payable from the proceeds of tax levies made upon the taxable property in the District. The following information is provided in compliance with Sections 9400-9404 of the Elections Code of the State of California. It is anticipated that the District will sell the Bonds in separate series.

1. The best estimate of the average tax rate that would be required to be levied to fund the Bonds issued during the life of the Bonds, based on estimated assessed valuations available at the time of filing of this statement, is 3.59¢ per $100 ($35.96 per $100,000) of assessed valuation. The final fiscal year in which the tax is anticipated to be collected is 2048–2049.

2. The best estimate of the highest tax rate that would be required to be levied to fund the Bonds, based on estimated assessed valuations available at the time of filing of this statement, is 3.60¢ per $100 ($36.00 per $100,000) of assessed valuation, which would occur in fiscal years 2021–2022 and 2041–2042.

3. The best estimate of total debt service, including principal and interest, that would be required to be repaid if all the Bonds are issued and sold is $234,345,298. This estimate results in a debt service to principal ratio of 2.23:1, which is significantly less than the maximum ratio of 4.00:1 allowed by State law. This estimate is based on the assumption that interest rates will increase over time, and the Bonds will have a maximum term of 30 years per series.

Voters should note that the estimated tax rates are based on the ASSESSED VALUE of taxable property on the County's official tax rolls, not on the property's market value. Property owners should consult their own property tax bills to determine their property's assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon the District's projections and estimates only, which are not binding upon the District. The actual tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of Bond sales, the amount of Bonds sold and market

interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the Bonds.

The dates of sale and the amount of Bonds sold at any given time will be determined by the District based on the need for construction funds and other factors, including the legal limitations on bonds approved by a 55% vote. The actual interest rates at which the Bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process.

Dated: 4/26/18, 2018

Todd Oto, Ed.D.
Superintendent
Visalia Unified School District

CERTIFICATION

I, Todd Oto, Ed.D., Secretary of the Board of Education of the Visalia Unified School District, Tulare County, California, do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly approved and adopted by the Board of Education of the District at a meeting held on June 26, 2018, of which meeting all the members of the Board of Education had due notice and at which a majority thereof were present, and that at the meeting the resolution was adopted by the following vote:

AYES: CRABTREE, FULMER, GUERRERO, QUALLS, ULMSCHNEIDER, VAZQUEZ

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

An agenda for the meeting was provided in advance of the meeting, as required by law, to all members of the Board of Education and to all media outlets that have requested notification. Further the agenda was posted in advance of the meeting, as required by law, at the District Office at 5000 West Cypress Avenue, Visalia, California 93277, a location freely accessible to members of the public and a brief description of the resolution appeared on the agenda.

I have carefully compared the foregoing resolution with the original minutes of the meeting on file and of record in my office, and the foregoing is a full, true, and correct copy of the original resolution adopted at the meeting and entered in the minutes.

Dated: 6/26/18, 2018

Todd Oto, Ed.D.
Secretary of the Board of Education
Visalia Unified School District