

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT

RESOLUTION NO. 18/19-12

RESOLUTION OF THE BOARD OF TRUSTEES OF THE MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT APPROVING AMENDED AND RESTATED BYLAWS FOR THE MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE

WHEREAS, on November 6, 2012 the Board of Trustees of the Mount Pleasant Elementary School District (the "District") conducted an election of registered voters within the District for the purpose of voting on a measure for the issuance of bonds of the District in the amount of \$25,000,000 ("Measure L"); and

WHEREAS, based on the Canvass and Statement of Results for the County, more than fifty-five percent of the votes cast on Measure L were in favor of issuing the aforementioned bonds; and

WHEREAS, the Board of Trustees of the District (the "Board") previously has established an independent citizens' bond oversight committee (the "Committee") in connection with issuance of bonds under Measure L; and

WHEREAS, the Board of Trustees of the District previously adopted a resolution requesting Santa Clara County, California (the "County") to call an election for general obligation bonds (the "Bond Election") to be held on November 6, 2018; and

WHEREAS, notice of the Bond Election was duly given; and on November 6, 2018 the Bond Election was duly held and conducted for the purpose of voting on a measure for the issuance of bonds of the District in the amount of \$27,500,000 ("Measure JJ"); and

WHEREAS, based on the Canvass and Statement of Results for the County, more than fifty-five percent of the votes cast on Measure JJ were in favor of issuing the aforementioned bonds; and

WHEREAS, the Board has previously approved Bylaws governing the Committee but now desires to amend and restate such Bylaws, in whole, to make them applicable to both Measure L and Measure JJ (so amended and restated, the "Amended and Restated Bylaws").

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT DOES HEREBY FIND, DETERMINE AND CERTIFY AS FOLLOWS:

Section 1. Authorization. Measure L and Measure JJ were authorized pursuant to paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution and subdivision (b) of Section 18 of Article XVI of the California Constitution, and in accordance with the requirements of the Strict Accountability In Local School Construction Bonds Act of 2000 (the "Accountability Act").

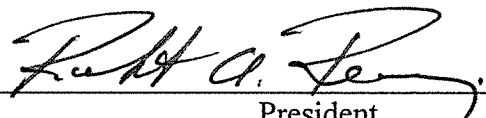
Section 2. Empowerment of Committee. The Committee is hereby empowered to carry out all the purposes set forth in the Accountability Act as to both Measure L and Measure JJ and with such combined responsibilities.

Section 3. Amended and Restated Bylaws. The Committee shall operate pursuant to the Board of Trustees approved Amended and Restated Bylaws. The Committee shall have only those responsibilities granted to them in the Accountability Act and in the Amended and Restated Bylaws. The Amended and Restated Bylaws, as submitted herewith and attached hereto are hereby approved. The previous Bylaws related to Measure L are rescinded and of no further force and effect.

Section 4. Other Actions. Officers of the Board and members of the Committee referenced hereunder are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

ADOPTED, SIGNED AND APPROVED this 16th day of January, 2019.

BOARD OF TRUSTEES OF THE MOUNT
PLEASANT ELEMENTARY SCHOOL
DISTRICT



President

ATTEST:




Secretary

STATE OF CALIFORNIA)
)ss
 SANTA CLARA COUNTY)

I, Mariann Engle, do hereby certify that the foregoing Resolution No. 18/19-12 was duly adopted by the Board of Trustees of the Mount Pleasant Elementary School District at a meeting thereof held on the 16th day of January, 2019 and that it was so adopted by the following vote:

AYES: 4
 NOES: 0
 ABSENT: 0
 ABSTENTIONS: 0

By: 
 Superintendent

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT

CITIZENS' BOND OVERSIGHT COMMITTEE AMENDED AND RESTATED BYLAWS

Section 1. Committee Established. The Mount Pleasant Elementary School District (the "District") was successful at the election conducted on November 6, 2012 (the "Measure L Election") in obtaining authorization from the District's voters to issue up to \$25,000,000 aggregate principal amount of the District's general obligation bonds ("Measure L"). On November 6, 2018 (the "Measure JJ Election"), the District was successful and obtained authorization from the District's voters to issue up to \$27,500,000 aggregate principal amount of the District's general obligation bonds ("Measure JJ"). The Measure L Election and Measure JJ Election are hereinafter referred to collectively as the "Elections". Measure L and Measure JJ are hereinafter referred to as the "Measures." Both Measures were conducted under Proposition 39, being chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, at Section 15264 *et seq.* of the Education Code of the State ("Prop 39"). Pursuant to Section 15278 of the Education Code, the District is obligated to establish the Committee in order to satisfy the accountability requirements of Prop 39. Pursuant to a resolution thereof, the Board of Trustees of the District (the "Board") has previously established the Independent Citizens' Bond Oversight Committee (the "Committee") in connection with the Measure L. Pursuant to a separate resolution, the Board has elected to modify the role of the existing Measure L Citizen's Bond Oversight Committee and charge the Committee with responsibility for reviewing expenditures of bond proceeds pursuant to both Measure L and Measure JJ. The Committee shall have the duties and rights set forth in these Amended and Restated Bylaws. The Committee does not have legal capacity independent from the District.

Section 2. Purposes. The purposes of the Committee are set forth in Prop 39, and these Bylaws are specifically made subject to the applicable provisions of Prop 39 as to the duties and rights of the Committee. The Committee shall be deemed to be subject to the *Ralph M. Brown Public Meetings Act* of the State of California and shall conduct its meetings in accordance with the provisions thereof. The District shall provide necessary administrative support to the Committee as shall be consistent with the Committee's purposes, as set forth in Prop 39.

The proceeds of general obligation bonds issued pursuant to the Election are hereinafter referred to as "bond proceeds." The Committee shall confine itself specifically to bond proceeds generated under Measure L and Measure JJ. Regular and deferred maintenance projects and all monies generated under other sources shall fall outside the scope of the Committee's review. However, to the extent the facilities financed with a combination of the Measures' monies and other non-bond funds, such projects shall be subject to Committee oversight and review.

Section 3. Duties. To carry out its stated purposes, the Committee shall perform only the following duties:

3.1 **Inform the Public.** The Committee shall inform the public concerning the District's expenditure of bond proceeds. In fulfilling this duty, all official communications to either the Board or the public shall come from the Chair acting on behalf of the Committee. The Chair shall only release information that reflects the majority view of the Committee.

3.2 **Review Expenditures.** The Committee shall review expenditure reports produced by the District to ensure that (a) bond proceeds were expended only for the purposes set forth in the

Measure L and Measure JJ; and (b) no bond proceeds were used for teacher or administrative salaries or other operating expenses in compliance with Attorney General Opinion 04-110, issued on November 9, 2004.

3.3 Annual Report. The Committee shall present to the Board, in public session, an annual written report which shall include the following:

- (a) A statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution; and
- (b) A summary of the Committee's proceedings and activities for the preceding year.

3.4 Duties of the Board/Superintendent. Either the Board or the Superintendent, as the Board shall determine, shall have the following powers reserved to it, and the Committee shall have no jurisdiction over the following types of activities:

- (i) Approval of contracts,
- (ii) Approval of change orders,
- (iii) Expenditures of bond funds,
- (iv) Handling of all legal matters,
- (v) Approval of project plans and schedules,
- (vi) Approval of all deferred maintenance plans, and
- (vii) Approval of the sale of bonds.

3.5 Measure L and Measure JJ Projects Only. In recognition of the fact that the Committee is charged with overseeing the expenditure of Measure L and Measure JJ bond proceeds, the Board has not charged the Committee with responsibility for:

- (a) Projects financed through the State of California, developer fees, redevelopment tax increment, certificates of participation, lease/revenue bonds, the general fund or the sale of surplus property without bond proceeds shall be outside the authority of the Committee.
- (b) The establishment of priorities and order of construction for the bond projects, which shall be made by the Board in its sole discretion.
- (c) The selection of architects, engineers, soils engineers, construction managers, project managers, CEQA consultants and such other professional service firms as are required to complete the project based on District criteria established by the Board in its sole discretion.

(d) The approval of the design for each project including exterior materials, paint color, interior finishes, site plan and construction methods (modular vs. permanent) which shall be determined by the Board in its sole discretion.

(e) The selection of independent audit firm(s), performance audit consultants and such other consultants as are necessary to support the activities of the Committee.

(f) The approval of an annual budget for the Committee that is sufficient to carry out its activities.

(g) The appointment or reappointment of qualified applicants to serve on the Committee, subject to legal limitations, and based on criteria adopted in the Board's sole discretion as part of carrying out its function under Prop 39.

Section 4. Authorized Activities.

4.1 In order to perform the duties set forth in Section 3.0, the Committee may engage in the following authorized activities:

(a) Receive and review copies of the District's annual independent performance audit and annual independent financial audit (together, the "Audits"), required by Article XIII A of the California Constitution at the same time said Audits are submitted to the Board, and review the Audits.

(b) Inspect school facilities and grounds for which bond proceeds have been or will be expended, in accordance with any access procedure established by the District staff.

(c) Review copies of deferred maintenance plans developed by the District.

(d) Review efforts by the District to maximize bond proceeds by implementing various cost-saving measures.

(e) Receive from the Board, within three months of the District receiving the Audits, responses to any and all findings, recommendations, and concerns addressed in the Audits, and review said responses.

Section 5. Membership.

5.1 Number.

The Committee shall consist of at least seven (7) members appointed by the Board of Trustees from a list of candidates submitting written applications, and based on criteria established by Prop 39, to wit:

- One (1) member shall be the parent or guardian of a child enrolled in the District.
- One (1) member shall be both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization, such as the P.T.A. or a school site council.

- One (1) member active in a business organization representing the business community located in the District.
- One (1) member active in a senior citizens' organization.
- One (1) member active in a bona-fide taxpayers association.
- Two (2) members of the community at-large.

5.2 Qualification Standards.

(a) To be a qualified person, he or she must be at least 18 years of age.

(b) The Committee may not include any employee, official of the District or any vendor, contractor or consultant of the District.

5.3 Ethics: Conflicts of Interest.

(a) Members of the Committee are not subject to the Political Reform Act (Gov. Code §§ 81000 *et seq.*), and are not required to complete Form 700; but each member shall comply with the Committee Ethics Policy attached as "Attachment A" to these Bylaws.

(b) Pursuant to Section 35233 of the Education Code, the prohibitions contained in Article 4 (commencing with Section 1090) of Division 4 of Title 1 of the Government Code ("Article 4") and Article 4.7 (commencing with Section 1125) of Division 4 of Title 1 of the Government Code ("Article 4.7") are applicable to members of the Committee. Accordingly:

(i) Members of the Committee shall not be financially interested in any contract made by them in their official capacities or by the Committee, nor shall they be purchasers at any sale or vendors at any purchase made by them in their official capacity, all as prohibited by Article 4; and

(ii) Members of the Committee shall not engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with, or inimical to duties as a member of the Committee or with the duties, functions, or responsibilities of the Committee or the District. A member of the Committee shall not perform any work, service, or counsel for compensation where any part of his or her efforts will be subject to approval by any other officer, employee, board, or commission of the District's Board of Trustees, except as permitted under Article 4.7.

5.4 Term. Except as otherwise provided herein, each member shall serve a term of two (2) years, commencing as of the date of appointment by the Board. No member may serve more than three (3) consecutive terms. At the Committee's first meeting, members will draw lots or otherwise select a minimum of two members to serve for an initial one (1) year term and the remaining members for an initial two (2) year term. Members whose terms have expired may continue to serve on the Committee until a successor has been appointed. Terms commence on the date or number is appointed to the Committee by the Board of Trustees. Members who previously served on the

Committee for Measure L shall be permitted to serve on the Committee and, if appointed by the Board, are entitled to serve new three (3) consecutive two (2) year terms from the date of their appointment.

5.5 Appointment. Members of the Committee shall be appointed by the Board through the following process: (a) the District will advertise in the local newspapers, on its website and in other customary forums as well as solicit appropriate local groups for applications; (b) the Superintendent will review the applications; and (c) the Superintendent will make recommendations to the Board.

5.6 Removal; Vacancy. The Board may remove any Committee member for any reason, including failure to attend two consecutive Committee meetings without reasonable excuse or for failure to comply with the Committee Ethics Policy. Upon a member's removal, his or her seat shall be declared vacant. The Board, in accordance with the established appointment process shall fill any vacancies on the Committee. The Board shall seek to fill vacancies within 90 days of the date of occurrence of a vacancy. Members whose terms have expired may continue to serve on the Committee until their successor has been appointed.

5.7 Compensation. The Committee members shall not be compensated for their services.

5.8 Authority of Members. (a) Committee members shall not have the authority to direct staff of the District; (b) individual members of the Committee retain the right to address the Board, either on behalf of the Committee or as an individual; (c) the Committee shall not establish sub-committees for any purpose; and (d) the Committee shall have the right to request and receive copies of any public records relating to Measure L and Measure JJ funded projects.

Section 6. Meetings of the Committee.

6.1 Regular Meetings. The Committee shall meet at least once a year, but no more frequently than quarterly.

6.2 Location. All meetings shall be held within the Mount Pleasant Elementary School District, located in Santa Clara County, California.

6.3 Procedures. All meetings shall be open to the public in accordance with the *Ralph M. Brown Act*, Government Code Section 54950 *et seq.* Meetings shall be conducted according to such additional procedural rules as the Committee may adopt. A majority of the number of Committee members shall constitute a quorum for the transaction of any business.

Section 7. District Support.

7.1 The District shall provide to the Committee necessary technical and administrative assistance as follows:

(a) preparation of and posting of public notices as required by the *Brown Act*, ensuring that all notices to the public are provided in the same manner as notices regarding meetings of the District Board;

(b) provision of a meeting room, including any necessary audio/visual equipment;

(c) preparation and copies of any documentary meeting materials, such as agendas and reports; and

(d) retention of all Committee records, and providing public access to such records on an Internet website maintained by the District.

7.2 District staff and/or District consultants shall attend Committee proceedings in order to report on the status of projects and the expenditure of bond proceeds.

Section 8. Reports. In addition to the Annual Report required in Section 3.2, the Committee may report to the Board from time to time in order to advise the Board on the activities of the Committee. Such report shall be in writing and shall summarize the proceedings and activities conducted by the Committee.

Section 9. Officers. The committee shall select the initial Chair and a Vice-Chair who shall act as Chair only when the Chair is absent. The Chair and Vice-Chair shall serve in such capacities for a term of one year. Both positions will be re-elected by vote of a majority of the members of the Committee.

Section 10. Amendment of Bylaws. Any amendment to these Bylaws shall be approved by a majority vote of the Board of Trustees of the District.

Section 11. Termination. The Committee shall automatically terminate and disband concurrently with the Committee's submission of the final Annual Report which reflects the final accounting of the expenditure of all Measure L and Measure JJ monies.