

Folsom Cordova Unified School District

Resolution for School Bond Accountability and Transparency

Resolution No: 09-18-14-14

WHEREAS Folsom Cordova Unified School District has needs to renovate school facilities to improve instruction and maintain the quality expected by its communities; and

WHEREAS the District has increasing enrollment and predicts continuing increases that will require additional classrooms and other facilities; and

WHEREAS the District has a comprehensive facilities master plan that details current and future facilities needs; and

WHEREAS the District's funding sources for building and renovating school facilities are limited and sometimes restricted; and

WHEREAS the District has incorporated supplemental operating procedures as noted in the attached document, which is incorporated herein; and

WHEREAS the Board of Education has a policy (BP 7214) that recognizes that general obligation bonds approved by the voters in the District may be a cost-effective part of a plan to finance renovation and building of facilities; and

WHEREAS the District recognizes that public transparency and accountability are an essential part of any financing plan for facilities;

NOW THEREFORE BE IT RESOLVED that prior to the District issuing any bonds approved by its taxpayers, the Board of Education will ensure that a forum is established for the consideration of a comprehensive funding plan for the facilities to be renovated, upgraded or constructed at an open, public meeting such as a study session wherein the public and stakeholders have ample opportunity to provide input and suggestions; and

BE IT FURTHER RESOLVED that any comprehensive funding plan for facilities include all then-available options including subsidies, grants, credits, and any other mechanism for reducing the cost to local taxpayers; and

BE IT FURTHER RESOLVED that when issuing any capital appreciation bonds or other similar instruments the District shall weigh the benefits of deferment of interest payments against the long-term costs of the bonds being issued, and further that any issuance with a discrete maturity be limited in interest amount per Board Policy 7214 and state law, and further that such instruments be considered only for shorter term funding to avoid the equivalent of a greatly compounded balloon payment when the bond matures; and

BE IT FURTHER RESOLVED that any financial advisor's qualifications be evaluated separately from any bond underwriter; and

BE IT FURTHER RESOLVED that all professional service contracts are awarded based solely on qualifications obtained through a competitive request for proposals process per Government Code Section 4526, and further that such professional's qualifications shall not be based on whether an individual or organization has contributed to any District facilities bond campaign; and

BE IT FURTHER RESOLVED that no future contracts will be awarded to architects, general contractors, or persons or firms involved in issuance of debt who have contributed to any future bond campaign, except for contracts awarded on a lowest qualified bid process; and

BE IT FURTHER RESOLVED that in the event that professional service providers or vendors or contractors are selected via a mechanism other than lowest qualified bid, that compensation shall not be based on a percentage of a project unless that compensation is limited in advance by a guaranteed maximum price of any project or part of a project for which the individual or organization is compensated; and

BE IT FURTHER RESOLVED that in the event that a lease-leaseback arrangement is utilized for the provision of facilities that the District shall use best efforts to obtain and award competitively bid contracts to the general contractor, including the subcontractor contracts, under its guaranteed maximum price; and

BE IT FURTHER RESOLVED that when renovations include upgrades or non-essential modifications, the District shall perform a cost-benefit analysis that shows that the true marginal cost of the upgrade or improvement over its life, including marginal costs and marginal interest costs, will be at least equal to its savings over its expected life.

PASSED AND ADOPTED, by the Governing Board of the Folsom Cordova Unified School District on September 18, 2014, by the following vote of the Board:

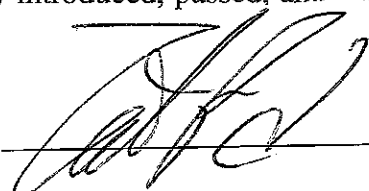
Ayes: 5

Absent: 0

Noes: 0

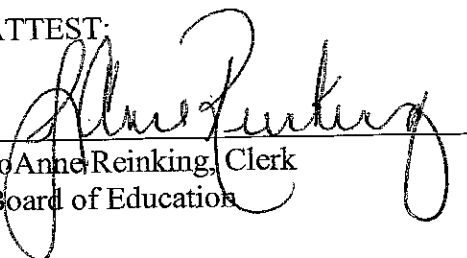
Abstain: 0

I HEREBY CERTIFY that the foregoing Resolution was duly introduced, passed, and adopted as stated.



Zak Ford, President
Board of Education

ATTEST:



JoAnne Reinking, Clerk
Board of Education