

OCEAN VIEW SCHOOL DISTRICT OF ORANGE COUNTY
Huntington Beach, CA

RESOLUTION NO. 03:1617

RESOLUTION OF THE BOARD OF TRUSTEES OF OCEAN VIEW
SCHOOL DISTRICT OF ORANGE COUNTY ORDERING AN
ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE
ELECTION ORDER

WHEREAS, the Board of Trustees (the "Board") is committed to improving the quality of education in local public schools by upgrading aging classrooms and improving student safety; and

WHEREAS, the Board has determined that schools within the Ocean View School District of Orange County (the "District") were built more than 50-years ago and need to be upgraded, repaired, expanded, improved and better equipped, in a fiscally prudent manner, so that our schools can continue to serve the community for decades to come; and

WHEREAS, the Board believes it is in the best interest of the District to address facility improvements now and support quality instruction and the use of today's technology to provide a solid background in math, science and technology so our students can succeed in high school, college and careers; and

WHEREAS, whether or not our residents have school-age children, protecting the quality of our schools, the quality of life in our community, and the value of our homes, is a wise investment; and

WHEREAS, the State is not providing the District with enough money 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 which the State cannot take away or be used for other purposes; and

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

WHEREAS, a local measure will help provide funds that cannot be taken away by the State to upgrade aging schools and help the District to qualify for State matching funds; and

WHEREAS, such measure will include mandatory taxpayer protections, including an independent citizens' oversight committee and mandatory audits to ensure funds are spent as promised; and

WHEREAS, the Board and District has solicited stakeholder and community input on school priorities from parents, teachers, staff, the community and civic leaders; and

WHEREAS, on November 7, 2000, the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act ("Proposition 39") which reduced the voter threshold for *ad valorem* tax levies used to pay for debt service on 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 Education Code Section 15264) (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 that are contained in Proposition 39 and the Act; and

WHEREAS, the Board desires to authorize the submission of a proposition to the District's voters at an election to authorize the issuance of bonds to pay for certain necessary improvements and enhancements to District educational facilities; 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, Elections Code Section 9400 *et seq.* requires that a tax rate statement be contained in all official materials relating to the election, including any ballot pamphlet prepared, sponsored, or distributed by the District; and

WHEREAS, the Board desires to authorize the filing of a tax rate statement and a ballot argument in favor of the proposition to be submitted to the voters at the election; and

WHEREAS, pursuant to the 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 8, 2016, and to request the Orange County Registrar of Voters to perform certain election services for the District.

NOW THEREFORE, THE BOARD OF TRUSTEES OF THE OCEAN VIEW SCHOOL DISTRICT OF ORANGE COUNTY 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 Orange 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 of \$169,000,000 (the "Bonds") shall be issued and sold for the purpose of raising money for the projects described in Exhibits "A" and "B" hereto. Both exhibits are directed to be printed in the voter pamphlet.

Section 2. That the date of the election shall be November 8, 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," incorporated by reference herein, and 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 policies of the Board and the Act, the ballot propositions in Exhibits "A" and "B" are subject to the following requirements and determinations:

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

(b) that the Board, in establishing the projects set forth in Exhibit "B," evaluated the safety, class size reduction, classroom, educational and information technology needs of the District as well as the importance of the projects to improve student learning in core subjects like reading, math, science and technology;

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

(d) that the Board shall cause an annual, independent financial audit of the proceeds from sale of Bonds to be conducted until all of the Bond proceeds have been expended;

(e) that the Board shall appoint 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;

(f) that the tax levy authorized to secure the Bonds of this election shall not exceed the Proposition 39 limits per \$100,000 of taxable property in the District when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution;

(g) that the Board will seek to set aside from the General Fund approximately 2% of the value of the bonds as issued, for future construction and facility repairs;

(h) that the Board will budget 2%-3% of its non-bond operating funds for facility maintenance; and

(i) that the Board does not plan to build and maintain its bond financed facilities under a project labor agreement.

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 Education Code Section 5322.

Section 6. That the Orange County Registrar of Voters and the Orange County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 8, 2016 within the District. As provided in Elections Code Section 10403, the District acknowledges that the consolidation election will be conducted in the manner described in Elections Code Section 10418.

Section 7. That the Secretary of the Board is hereby directed to deliver a certified copy of this Resolution to the Orange County Registrar of Voters no later than August 12, 2016.

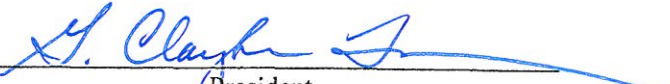
Section 8. That Bonds may be issued pursuant to Education Code Section 15264 *et seq.* or Government Code Section 53506. The maximum rate of interest on any Bond shall not exceed the maximum rate allowed by Education Code Sections 15140 to 15143, as modified by Government Code Section 53531.

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 any body 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 Orange County Registrar of Voters by the established deadlines.

Section 10. Pursuant to Education Code Section 5303 and Elections Code Section 10002, the Board of Supervisors of Orange County is requested to permit the Registrar of Voters to render all services specified by Elections Code Section 10418 relating to the election, for which services the District agrees to reimburse Orange 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 Elections Code Section 9401) pursuant to the terms of Education Code Section 5363 and Elections Code Section 12112.

ADOPTED, SIGNED AND APPROVED this 5th day of July, 2016.

BOARD OF TRUSTEES OF THE OCEAN VIEW
SCHOOL DISTRICT OF ORANGE COUNTY

By 
President

Attest:



Secretary

STATE OF CALIFORNIA)
)ss
ORANGE COUNTY)

I, Carol Hanson, do hereby certify that the foregoing is a true and correct copy of Resolution No. 03:1617, which was duly adopted by the Board of Trustees of the Ocean View School District of Orange County at the meeting thereof held on the 5th day of July, 2016, and that it was so adopted by the following vote:

AYES: 4 Trustees John Briscoe, Gina Clayton-Tarvin, Joseph Gaglione, Jack Souders

NOES: 1 Trustee Debbie Cotton

ABSENT: 0 None

ABSTENTIONS: 0 None

By 
Secretary

EXHIBIT A

“Ocean View Schools Student Success Measure. To repair/modernize aging classrooms/school facilities including improving student safety/campus security, disabled access, deteriorating roofs, plumbing, ventilation/electrical systems, and acquire, renovate, construct, and equip classrooms, sites, facilities, labs/instructional technology to support student achievement in reading, math, arts, science and technology, shall Ocean View School District of Orange County issue \$169,000,000 in bonds at legal rates, with independent citizen oversight, audits, no money for teacher/administrator salaries, and all money staying local?”

Bonds – Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE OCEAN VIEW SCHOOL DISTRICT OF ORANGE COUNTY BOND MEASURE ELECTION NOVEMBER 8, 2016

The following is the full proposition presented to the voters by the Ocean View School District of Orange County (the "District").

"Ocean View Schools Student Success Measure. To repair/modernize aging classrooms/school facilities including improving student safety/campus security, disabled access, deteriorating roofs, plumbing, ventilation/electrical systems, and acquire, renovate, construct, and equip classrooms, sites, facilities, labs/instructional technology to support student achievement in reading, math, arts, science and technology, shall Ocean View School District of Orange County issue \$169,000,000 in bonds at legal rates, with independent citizen oversight, audits, no money for teacher/administrator salaries, and all money staying local?"

PROJECT LIST

The Board of Trustees of the Ocean View School District of Orange County (the "Board") is committed to improving the quality of education in local schools with safe, secure, upgraded classrooms, labs and technology needed to **support high quality instruction in math, science and technology**. To that end, the Board evaluated the District's urgent and critical facility needs, including safety issues, class size reduction, computer and information technology, and drafted a Facilities Master Plan, presented to the Board on June 29, 2016, which is incorporated herein in its entirety, in developing the scope of projects to be funded. The District conducted a facilities evaluation and received public input in developing this Project List. Teachers, staff, community members and the Board have prioritized the key health and safety needs so that the most critical facility needs are addressed. **The Board concluded that protecting the quality of our schools, the quality of life in our community, and the value of our homes is a wise investment.** Therefore, in approving this Project List, the Board of Trustees determines that the District must:

- (i) **Repair or replace deteriorating roofs, plumbing, heating, ventilation and electrical systems, where needed; and**
- (ii) **Retain all funds to support local students and ensure that money cannot be taken away by the State; and**
- (iii) **Provide the facilities and technology needed to support high quality instruction in math, science and technology; and**
- (iv) **Improve access to school facilities for students with disabilities; and**
- (v) **Adhere to clear system of accountability, such as:**
 - (a) **All expenditures must be subject to annual independent financial audits.**
 - (b) **An independent citizens' oversight committee must be appointed to ensure that all funds are spent properly.**

The Project List includes the following types of upgrades and improvements at District schools and sites:

**LOCAL SCHOOL FUNDING TO SUPPORT HIGH QUALITY INSTRUCTION
IN MATH, SCIENCE AND TECHNOLOGY:**

Basic School Repair and Upgrade Projects

Goals and Purposes: All money raised by the measure will stay local to support our students. It cannot be taken away by the State or used for other purposes.

If we want our students to succeed in college and careers, they must be skilled in the use of today's technologies and have a solid background in science, math, and technology. This measure will make this possible.

Since most of our schools were built more than 50-years ago they need to be modernized. It's time to make essential repairs and improvements so that these schools can serve our community well for the decades to come.

- Improve access to school facilities for students with disabilities.
- **Repair or replace deteriorating roofs, plumbing, heating, ventilation and electrical systems, where needed.**
- Improve heating, ventilation, insulation, doors and windows to increase energy efficiency and save money.
- Replace aging portable classrooms that are expensive to repair and maintain with new, up-to-date classrooms.

STUDENT SAFETY AND ACHIEVEMENT:

Projects That Improve Student Safety and Success

Goal and Purpose: Whether or not you have school-age children, protecting the quality of our schools, the quality of life in our community, and the value of our homes is a wise investment. This measure will upgrade campus security systems for improved student safety.

- Ensure children's playground equipment and play areas meet current health and safety standards.
- Improve student safety and campus security systems, including security fencing and cameras, emergency communication systems, smoke detectors, fire alarms and sprinklers.

- Provide facilities and equipment needed to support high quality instruction in music, performing and visual arts.
- Provide facilities and technology needed to support high quality instruction in math, science and technology.
- Create flexible, multi-use classrooms to support hands-on-science instruction and learning-by-doing.

FISCAL ACCOUNTABILITY

This bond measure has strict accountability requirements including:

1. All money will benefit local schools and CANNOT BE TAKEN BY THE STATE.
2. NO MONEY can be used for TEACHER OR ADMINISTRATOR SALARIES.
3. Require CITIZENS' OVERSIGHT and yearly reports to the community to keep the District accountable for how the funds are spent.
4. NO TEACHER OR 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 or administrator salaries, pensions and other operating expenses.
5. **FISCAL ACCOUNTABILITY. 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.**

* * *

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/project management, and a customary contingency for unforeseen design and construction costs. In addition to the listed projects stated above, the Project List also includes the acquisition of a variety of instructional, maintenance and operational equipment, including the reduction or retirement of outstanding lease obligations and interim funding incurred to advance fund projects from the Project List; payment of the costs of preparation of all facility planning, facility studies, assessment reviews, facility master plan preparation and updates, environmental studies (including environmental

investigation, remediation and monitoring), design and construction documentation, and temporary housing of dislocated District activities caused by construction projects.

In addition to the projects listed above, the repair, renovation and construction of school facilities may include, but not be limited to, some or all of the following: renovate student and staff restrooms; installation of signage and fencing; upgrade libraries, repair and replace heating, air-conditioning and ventilation systems; upgrade of facilities for energy efficiencies; repair and replace worn-out and deteriorated roofs, windows, floors, walls, doors and drinking fountains; improve school facilities for disability access; install shade structures and covered eating areas, wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; relocate District central office; upgrade or construct classrooms, multi-purpose facilities, labs, support facilities (including administrative, non-student instruction spaces and District office), physical education facilities (including playground equipment and tracks), and central and site kitchens; repair and replace gas, water and sewer systems and lines, fire alarms, phone systems, emergency communications, security systems, doors and locks; resurface or replace hard courts, asphalt, turf and irrigation systems and campus landscaping; upgrade technology infrastructure, including network security/firewall, wireless technology systems, and other equipment; expand or modify parking lots and drop-off areas; acquire land; interior and exterior painting and floor covering; demolition; construct various forms of storage and support spaces and classrooms; repair, upgrade and install interior and exterior lighting systems; improve playgrounds, athletic fields and play apparatus; install unitary surfacing in existing playgrounds; and replace outdated security fences and security cameras (including access control systems).

The allocation of bond proceeds will be affected by 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 and construction documents are finalized, construction bids are received, construction contracts 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 more enhanced and operationally efficient campuses. Necessary site preparation/restoration 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, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property. 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 bond projects.

Bond proceeds shall only be expended for the specific purposes identified herein. 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.

NO TEACHER OR 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.