Information for
Agenda Item 4.c
September 8, 2021

CHULA VISTA ELEMENTARY SCHOOL DISTRICT
INDEPENDENT CITIZENS OVERSIGHT COMMITTEE
(Proposition E, Measure VV, and Measure M)

SECOND AMENDED BYLAWS

Section 1. Committee Established.

The Chula Vista Elementary School District (the "District") caused an election to be conducted on November 6, 2012 (the "2012 Election"), within School Facilities Improvement District No. 1 of the Chula Vista Elementary School District (the "Improvement District") on Proposition E to authorize the District to issue up to $90,000,000 aggregate principal amount of general obligation bonds on behalf of the Improvement District ("Proposition E").

On November 6, 2018, the District caused another election to be conducted (the "2018 Election") within the boundaries of the District (to issue up to $150,000,000 aggregate principal amount of general obligation bonds on behalf of the District ("Measure VV").

On March 3, 2020, the District caused another election to be conducted within the boundaries of the District (together with the 2012 Election and the 2018 Election, the "Elections") to issue up to $300,000,000 aggregate principal amount of general obligation bonds on behalf of the District ("Measure M").

The Elections were conducted in accordance with subdivision (b) of Section 1 of Article XIIIA of the California Constitution and subdivision (b) of Section 18 of Article XVI of the California Constitution and the Strict Accountability in Local School Construction Bonds Act of 2000, Section 15264, et seq., of the Education Code of the State (together, "Proposition 39"). In order to satisfy the accountability requirements of Proposition 39 and Section 15278 of the Education Code, the District is required to establish and maintain a committee to carry out certain oversight duties related to Proposition E, Measure VV, and Measure M.

The Board of Education of the Chula Vista Elementary School District (the "Board") established the Proposition E Independent Citizens Oversight Committee on April 17, 2013 through its adoption of Resolution No. 2012-13.94 and adopted bylaws for the committee (the "Original Bylaws"). In accordance with Section 10 of the Original Bylaws, the Board is authorized to amend the Original Bylaws from time to time. On January 23, 2019, the Board adopted Resolution No. 2018-19.62 which amended the Original Bylaws to include oversight of the Measure VV Bond proceeds ("Amended Bylaws"). The Board now desires to amend and restate the Amended Bylaws as set forth herein for the purpose of expanding the responsibilities of the committee to act as the oversight committee for Measure M

for purposes of Proposition 39. The Committee shall have oversight responsibilities for all Proposition E, Measure VV, and Measure M general obligation bond proceeds and shall have the duties and rights set forth in these Second Amended Bylaws. The Committee does not have legal capacity independent from the District.

Section 2. Purposes.

The purposes of the Committee are set forth in Proposition 39, and these Second Amended Bylaws are specifically made subject to the applicable provisions of Proposition 39 as to the purposes, duties, and rights of the Committee. Minutes of the proceedings of the Committee and all documents received and reports issued shall be a matter of public record and be made available on an Internet website maintained by the Board.

The proceeds of general obligation bonds issued pursuant to the Elections are hereinafter referred to as "bond proceeds." The Committee shall confine itself specifically to monitoring the expenditure of bond proceeds generated under Proposition E, Measure VV, and Measure M. Regular and deferred maintenance projects and all monies generated under other sources shall fall outside the scope of the Committee's review.

Section 3. Duties.

To carry out its stated purposes, the Committee shall perform the duties set forth in Sections 3.1, 3.2, and 3.3 below and shall observe the limitations set forth in Sections 3.4 and 3.5 below.

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 consensus 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 Proposition E, Measure VV, and Measure M, as applicable; and (b) no bond proceeds were used for any teacher or administrative salaries or other operating expenses.

3.3 Annual Report.

The Committee shall present to the Board, in public session, an annual written report that shall include the following:

(a) A statement indicating whether the District is in compliance with the requirements of Article XIIIA, Section 1(b)(3) of the California Constitution; and

(b) A summary of the Committee's proceedings and activities for the preceding year.

The Annual Report shall contain separate sections for Proposition E, Measure VV, and Measure M so that it is clear to the public how the bond proceeds from each of the Elections has been spent.

3.4 Duties of the Board and/or 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:

(a) Approval of contracts;
(b) Approval of change orders;
(c) Expenditure of bond funds;
(d) Handling of all legal matters;
(e) Approval of project plans and schedules;
(f) Approval of all deferred maintenance plans; and
(g) Approval of the sale of bonds.

3.5 Proposition E, Measure VV, and Measure M Projects Only.

In recognition of the fact that the Committee is charged with overseeing the expenditure of bond proceeds, the Board has not charged the Committee with responsibility for:

(a) Projects financed without bond proceeds through the State of California, developer fees, redevelopment tax increments, certificates of participation, lease/revenue bonds, the general fund, special taxes, or the sale of surplus property, which 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, California Environmental Quality Act consultants, and such other professional service firms as are required to complete the bond projects based on District criteria established by the Board, which selection shall be made by the Board in its sole discretion.

(d) The approval of the design for each project including exterior materials, paint color, interior finishes, site plans, 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 Proposition 39.

Section 4. Authorized Activities.

4.1 In order to perform the duties set forth in Sections 3.1, 3.2, and 3.3 above, 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 as required by Article XIIIA of the California Constitution.

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

(c) Review copies of any deferred maintenance proposals or plans for facilities financed with bond proceeds.

(d) Review efforts by the District to maximize bond proceeds by implementing various cost-saving measures as set forth in Section 15278(c)(5) of the Education Code.

Section 5. Membership.

5.1 Number.

The Committee shall consist of at least seven (7) members based on criteria established by Proposition 39, which provides that:

- One (1) member shall be active in a business organization representing the business community located in the District.
- One (1) member shall be active in a senior citizens organization.
- One (1) member shall be active in a bona fide taxpayers association.
- 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 PTA or a school site council.

- One (1) member shall be a parent or guardian of a child enrolled in the District.
- Two (2) members shall be from the community at-large.

5.2 Qualification Standards.

(a) All Committee members 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.

By accepting appointment to the Committee, each member agrees to comply with Articles 4 (commencing with Section 1090) and 4.7 (commencing with Section 1125) of Division 4 of Title 1 of the Government Code. Additionally, each member shall comply with the Committee Ethics Policy attached as Attachment“A” to these Bylaws.

5.4 Term.

Each member shall serve a term of two (2) years, commencing on the date of the first meeting of the Committee for such member. No member may serve more than three (3) consecutive terms.

5.5 Appointment.

The members of the Committee shall be appointed by the Board based on recommendations made by the Superintendent, or the Board may delegate to the Superintendent the selection of individuals to serve on the Committee. In the event that the Superintendent appoints members of the Committee, the Superintendent shall report to the Board the names of the individuals selected and which of the above criteria are being fulfilled by each member.

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. Vacancies shall be filled within 90 days from the initial date of each such vacancy in accordance with Section 5.5 above. A member appointed to fill a vacancy shall serve for the remainder of the term of the Committee member being replaced.

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 may only request copies of reports and documents that have been previously presented to the Board and which are a public record.

Section 6. Meetings of the Committee.

6.1. Regular Meetings.

The Committee shall meet at a minimum once every three months (a minimum of four times each fiscal year) and review current bond sales and public construction bids in accordance with identified facility needs and to otherwise fulfill its duties under Proposition 39 and these Second Amended Bylaws.

6.2. Location.

All meetings shall be held within the boundaries of the District except that Committee members may participate by teleconference as set forth in Section6.3 below.

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 (the "Brown Act") and may be noticed and conducted in any manner that is consistent with the Brown Act, as modified by any emergency declaration of the Governor of the State of California or other authorized officer of the State, including by teleconference. 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 of the Committee. Minutes of the Committee's proceedings and all documents received and reports issued shall be a matter of public record and be made available on an internet website maintained by the Board of the District.

Section 7. District Support.

7.1. The District shall provide to the Committee necessary technical and administrative assistance consistent with the Committee's purposes as set forth in Proposition 39, 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, translation, 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.

7.3 No bond proceeds shall be used to provide District support to the Committee.

Section 8. Reports.

In addition to the Annual Report required in Section 3.3, the Committee may report to the Board from time to time in order to advise the Board on the activities of the Committee. The Annual Report shall be in writing and shall summarize the proceedings and activities conducted by the Committee.

Section 9. Officers.

The Committee shall be chaired by a Committee member nominated and elected by open vote at its first organizational meeting. The Committee shall also elect a Vice Chair who shall act as Chair only when the Chair is absent.

Section 10. Amendment of Second Amended Bylaws.

Any amendment to these Second Amended Bylaws shall be approved by a majority vote of the Board of the District.

Section 11. Termination.

The Committee shall automatically terminate and disband immediately following presentation to the Board of the first Annual Report described in Section 3.3 above that is filed after all Proposition E, Measure VV, and Measure M bond proceeds are spent.

ATTACHMENT "A"

SECOND AMENDED BYLAWS FOR THE
CHULA VISTA ELEMENTARY SCHOOL DISTRICT
INDEPENDENT CITIZENS OVERSIGHT COMMITTEE

ETHICS POLICY STATEMENT

This Ethics Policy Statement provides general guidelines for Committee members in carrying out their responsibilities. Not all ethical issues that Committee members face are covered in this Statement. However, this Statement captures some of the critical areas that help define ethical and professional conduct for Committee members. The provisions of this Statement were developed from existing laws, rules, policies, and procedures as well as from concepts that define generally accepted good business practices. Committee members are expected to strictly adhere to the provisions of this Ethics Policy.

POLICY

- CONFLICT OF INTEREST. A Committee member shall not make or influence a District decision related to: (1) any contract funded by bond proceeds; or (2) any construction project that will benefit the Committee member's outside employment, business, or a personal finance or benefit an immediate family member such as a spouse, child, or parent.

- OUTSIDE EMPLOYMENT. A Committee member shall not use his or her authority over a particular matter to negotiate future employment with any person or organization that relates to: (1) any contract funded by bond proceeds; or (2) any construction project. A Committee member shall not make or influence a District decision related to any construction project involving the interest of a person with whom the member has an agreement concerning current or future employment or remuneration of any kind. For a period of two (2) years after leaving the Committee, a former Committee member may not represent any person or organization for compensation in connection with any matter pending before the District that, as a Committee member, he or she participated in personally and substantially. Specifically, for a period of two (2) years after leaving the Committee, a former Committee member and the companies and businesses for which the member works shall be prohibited from contracting with the District with respect to: (1) bidding on projects funded by the bond proceeds; and (2) any construction project.

- COMMITMENT TO UPHOLD LAW. A Committee member shall uphold the federal and California Constitutions; the laws and regulations of the United States and the State of California (particularly the Education Code); all other applicable government entities; and the policies, procedures, rules, and regulations of the District.

- COMMITMENT TO DISTRICT. A Committee member shall place the interests of the District above any personal or business interest of the member.