



Meeting Minutes

Measure J Citizens' Oversight Committee **South San Francisco Unified School District**

Meeting Type: Meeting of the Citizens' Oversight Committee (Meeting No. 5)

Meeting Date: Tuesday, September 13, 2011, 7:00 pm

Location: SSFUSD Office, Board Room
398 B Street
South San Francisco, CA 94080

Notice: The meeting was audio-recorded
Margarita Millar from Atlas Interpreters provided Spanish interpretation services for the CBOC members.

1. Preliminary

1.1 CALL TO ORDER – 7:10 pm

1.2 ROLL CALL

1.2.1 PRESENT: Lana Anderson
Rich Blank (Clerk)
David Gallagher
Richard Holt
Julia Lopez
Veronica Mendoza
Rick Ochsenhirt (Chair)
Martin Romero
John Sanna (Vice Chair)
Patricia Turpo Ames

1.2.2 ABSENT: Dana Abarca
America Gutierrez

1.2.3 OTHER: Jonathan Barth, SSFUSD (District)
Eugene Sim, Interim Bond Liaison (IBL)
Iku Joki, Interim Bond Liaison (IBL)
John Palmer, Bond Counsel (BC)
Alejandro Hogan, SSFUSD (District)
Nannette Cole
Cindy Alger
Linda Torres

1.2.4 IBL performed a roll call and confirmed an establishment of a quorum.

2. Approval of Meeting Minutes No. 4
 - 2.1 Chair Ochsenhirt asked members to confirm receipt and review of meeting minutes and asked if any members have corrections or comments. There were no objections and the minutes to Meeting No. 4 of CBOC were approved.
3. Welcome & Introduction of new CBOC member: Julia Lopez
 - 3.1 Chair Ochsenhirt introduced and welcomed J. Lopez to the committee. Due to the concurrent back-to-school event, J. Lopez, left the meeting at 7:24pm and returned around 8:00pm.
4. Prior Bond Information for Reference
 - 4.1 Follow-up to inquiry regarding scope of work summary by site from prior bond.
 - 4.1.1 District provided an extensive amount of information on the prior bond in financial packets prior to meeting no.3. IBL stated that further efforts have been made to find additional information on the prior bond including researching county records; however no new information is available at this time. IBL also stated that members can find a section in the 2009 Facilities Master Plan (FMP) by HA called, "Work from 1997 Masterplan still to be completed" which will list scope of work not completed from the prior bond program. This 2009 FMP document was provided to all members on a compact disc as part of their CBOC binders.
 - 4.1.2 M. Romero stated that he needs to know the prior bond information in order to assess the current bond projects to ensure no overlap of work is proposed. He stated that the prior bond program appears to have a \$11 million discrepancy (out of total \$90 million in bond funds) and that further information or detailed explanation was not provided by the District.
 - 4.1.3 IBL introduced the Bond Counsel (BC), John Palmer to the committee. IBL also introduced the District Superintendent, Alejandro Hogan, who joined the meeting at around 7:30pm.
 - 4.1.4 Chair Ochsenhirt inquired on the closure process of bond programs. BC clarified that since the last bond program occurred prior to 2001 when Proposition 39 was passed, it is not held to the same standards as the current Measure J bond program. The oversight and closure processes were different from current requirements.
 - 4.1.5 V. Mendoza inquired on the amount of the prior bond program. Chair Ochsenhirt stated that the prior bond was \$45 million with matching funds from the state, which totaled about \$90 million.
 - 4.1.6 Clerk R. Blank discussed whether any of the District's prior Chief Business Officers (CBO) will have additional knowledge on the prior bond.
 - 4.1.7 P. Turpo Ames inquired whether we can audit the prior bond again. Chair Ochsenhirt clarified that the committee does not have any power over the prior bond program since this is a Measure J bond oversight committee. He stated that there should be documentation on the prior bond audit.

- 4.1.8 L. Anderson discussed whether the third-party auditor will have the prior bond audit documentation.
- 4.1.9 J. Barth stated that the district will continue to research the topic on the prior bond and documentation on the audit.
- 4.1.10 IBL stated that discussions pertaining to the prior bond should be informational and for purposes of providing context to evaluate the current bond.
- 4.1.11 D. Gallagher stated that while the member's discussion topics on the prior bond are valid points, the committee should focus on the Measure J bond. He urged members to make sure they do not let the same issues happen on this current bond.

5. General Fund Budget Information

5.1 Follow-up to inquiry regarding Article 13A

- 5.1.1 BC gave background information on Proposition 39, Article 13A, California Education Code Section 15278 and other relevant codes. A handout was provided to members for reference. (see attached)
- 5.1.2 M. Romero stated that he feels that the committee's purpose can be more than those listed under Section 15278 and quoted the "but not be limited to" portion of Section 15278.b. He also stated that he is reluctant to rely on the interpretations of BC due to the fact that BC is hired by the District.
- 5.1.3 Chair Ochsenhirt stated that he does not want members to feel that there exists any favoritism on the part of BC because he has received the same, consistent information regarding the committee's roles and responsibilities from three legal sources, including the County training session and the District orientation session.

5.2 The topic of using bond fund for administrative salaries was discussed.

- 5.2.1 To bring clarity to Section 15278.b.2, which states "to ensure no funds are used for any teacher or administrative salaries or other school operating expenses," BC presented the conclusion from the state attorney general. He quoted the conclusion and excerpts from the report which supports the use of bond funds when performing administrative oversight work on projects authorized by a voter approved bond measure.

5.3 The topic of the savings generated by Chevron Energy Solutions (CES) projects was discussed.

- 5.3.1 M. Romero stated that CES savings should be returned to the bond fund, not used to relieve the general fund.
- 5.3.2 BC stated that once the bond funds are used to purchase the specific product such as solar panels, more efficient HVAC systems, lighting, or double pane windows, the analysis of the expenditure ends at that point. There should not be any continuation of analysis on expenses such as providing relief for the general fund. According to BC, it is not under the purview of CBOC to analyze the savings amount for the life of the solar panels and how those savings amount should be used.
- 5.3.3 M. Romero stated that he has an issue with the bond project list put forth to the voters. He feels that the contract amount \$24.5 million between

the District and CES is large and may not be what the public expected when they voted on the bond project list.

6. Community Outreach

6.1 District's existing newsletter publication (i.e. Superintendent's letter)

6.1.1 Chair Ochsenhirt discussed recommendations from the previous meeting by public members to utilize existing publications such as the District newsletter and the various home-owners associations' newsletters to reach South San Francisco residents. He also pointed out that this method will not incur any costs.

6.1.2 L. Anderson suggested asking the individual schools to insert CBOC statements to the public in their monthly newsletters. There are two forms of publications at each school, the administrative office and the parent-teacher association (PTA) newsletters.

6.1.3 Vice Chair J. Sanna emphasized the importance of obtaining the correct facts before publishing any statements to the community.

6.1.4 Clerk R. Blank stated that as the committee's duty is to monitor expenditures, they must analyze and discuss the financial report before reporting to the public.

6.1.4.1 J. Barth referenced the financial report given to members at meeting no.3.

6.1.4.2 M. Romero stated that he would like to see the expenses prior to funds being spent. He also stated that this request stems from recommendations of the San Mateo County Grand Jury Report.

6.1.4.3 D. Gallagher **requested to have a date on the financial reports.** He also **requested a monthly report,** even if expenditures did not happen for a particular month.

6.1.4.4 J. Barth stated that the format of the financial report will change to reflect the committee's requests as well as other improvements for clarity such as listing the encumbered amount for each line item.

6.2 School site re-greening efforts

6.2.1 As a representative from the City's Parks and Recreation department, D. Gallagher conducted extensive research on this topic since the last meeting. He stated that city mandated requirements do not apply to school district property. Therefore, a permit was not required for the trees at El Camino High School. He has made efforts to urge more participation and partnership with the District and the City on future tree removal plans.

6.2.2 Clerk R. Blank informed the committee that CES representatives made statements during a Board of Trustees (BOT) meeting on re-greening efforts.

6.2.3 J. Barth stated that the District has included re-greening after tree removal as part of CES scope of work under contract without additional cost.

7. Current Calendar & Meeting Schedule

- 7.1 A potential revision to the current meeting schedule was discussed.
 - 7.1.1 Chair Ochsenhirt considered meeting every other month since he feels there is currently little activity on construction projects.
 - 7.1.2 M. Romero stated he would like to continue meeting monthly, with the next meeting in October.
 - 7.1.3 J. Lopes also stated she would like to meet in October.
 - 7.1.4 L. Anderson and P. Turpo Ames inquired when the next financial report would be submitted to the committee. L. Anderson also inquired when the audit is required. Chair Ochsenhirt confirmed that the audits are performed annually.
 - 7.1.5 Chair Ochsenhirt asked the committee to vote on when to have the next meeting, in October or November.
 - 7.1.5.1 October: 5 votes (Lopez, Turpo Ames, Mendoza, Romero, Gallagher)
 - 7.1.5.2 November: 5 votes (Anderson, Ochsenhirt, Blank, Sanna, Holt)
 - 7.1.5.3 As the voting resulted in a tie, Chair Ochsenhirt requested the committee meet in November and re-evaluate the meeting schedule at that time.

8. Public Comments

- 8.1 Cindy Alger of the Winston Manor Community Association stated there were discrepancies between the presentations given by the Program Manager (Swinerton) at the Facilities Sub-Committee (FSC) meeting and the televised BOT meeting. She also stated that a FSC member, Phil Weise (also a Board of Trustee Clerk), stated at the last FSC meeting that the CBOC meets too often and that they review reports after expenditures occur. She urged the committee to report progress to the public.
- 8.2 Linda Torres who resides on Dundee Drive inquired whether there is a point to having the CBOC since the committee only reviews the financial reports after the expenditures occur. She also inquired how the selection process for the committee was conducted. IBL informed her that the application for CBOC members was advertised in various media, including the San Mateo County newspaper and the District website. The applications were reviewed to fulfill the required categories and to comprise of at least 7 members per Proposition 39 rules and regulations. She also echoed the previous public comment to report progress to the public.

9. Adjournment – 9:19 pm

- 9.1 Next CBOC meeting no. 6 will be held on November 15, 2011, 7:00pm at SSFUSD Office, Board Room.

Please advise the District within 48 hours if there are any errors in the meeting minutes. Provide questions and comments in a written form and address all discrepancies to Jonathan Barth, Assistant Superintendent, and South San Francisco Unified School District.

TO BE PUBLISHED IN THE OFFICIAL REPORTS

OFFICE OF THE ATTORNEY GENERAL
State of California

BILL LOCKYER
Attorney General

OPINION

of

BILL LOCKYER
Attorney General

DANIEL G. STONE
Deputy Attorney General

No. 04-110

November 9, 2004

THE HONORABLE MANNY DIAZ, MEMBER OF THE STATE ASSEMBLY, has requested an opinion on the following question:

May a school district use Proposition 39 school bond proceeds to pay the salaries of district employees who perform administrative oversight work on construction projects authorized by a voter approved bond measure?

CONCLUSION

A school district may use Proposition 39 school bond proceeds to pay the salaries of district employees to the extent they perform administrative oversight work on construction projects authorized by a voter approved bond measure.

ANALYSIS

On November 8, 2000, California voters approved Proposition 39, which amended the Constitution to allow the issuance of bonds for the construction of school facilities if approved by 55 percent of a school district's voters and if specified conditions are met.¹ Among other things, subdivision (b)(3) was added to section 1 of article XIII A of the Constitution, providing that the one percent property tax limitation does not apply to:

“Bonded indebtedness incurred by a school district, community college district, or county office of education for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, approved by 55 percent of the voters of the district or county, as appropriate, voting on the proposition on or after the effective date of the measure adding this paragraph. This paragraph shall apply only if the proposition approved by the voters and resulting in the bonded indebtedness includes all of the following accountability requirements:

“(A) *A requirement that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b)(3), and not for any other purpose, including teacher and administrator salaries and other school operating expenses.*

“(B) A list of the specific school facilities projects to be funded and certification that the school district board, community college board, or county office of education has evaluated safety, class size reduction, and information technology needs in developing that list.

“(C) A requirement that the school district board, community college board, or county office of education conduct an annual, independent performance audit to ensure that the funds have been expended only on the specific projects listed.

“(D) A requirement that the school district board, community college board, or county office of education conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended for the school facilities projects.” (Italics added.)

¹ Normally, approval of a school district's bonded indebtedness would require a two-thirds approval vote of a district's voters. (See Cal. Const., art. XIII A, § 1, subd. (b)(2), art. XVI, § 18, subd. (a).)

We are asked to determine whether the prohibition against using Proposition 39 school bond proceeds for “teacher and administrator salaries and other school operating expenses” (Cal. Const., art. XIII A, § 1, subd. (b)(3)(A)) applies to the payment of salaries of school district employees who perform administrative oversight work on construction projects authorized by a voter approved bond measure. We conclude that the prohibition is inapplicable to such salary expenses.

Preliminarily, we note that Proposition 39 also amended section 18 of article XVI of the Constitution in several respects, including the addition of subdivision (b), as follows:

“ . . . [O]n or after the effective date of the measure adding this subdivision, in the case of any school district, community college district, or county office of education, any proposition for the incurrence of indebtedness in the form of general obligation bonds for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, shall be adopted upon the approval of 55 percent of the voters of the district or county, as appropriate, voting on the proposition at an election. This subdivision shall apply only to a proposition for the incurrence of indebtedness in the form of general obligation bonds for the purposes specified in this subdivision if the proposition meets all of the accountability requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A.”

In addition, to implement the provisions of Proposition 39, the Legislature has enacted “The Strict Accountability in Local School Construction Bonds Act of 2000” (Ed. Code, §§ 15264-15288; “Act”),² targeting “unauthorized expenditures” of Proposition 39 school bond proceeds. Section 15264 thus provides:

“It is the intent of the Legislature that all of the following are realized:

“(a) Vigorous efforts are undertaken to ensure that the expenditure of bond measures, including those authorized pursuant to paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, are in strict conformity with the law.

² All references hereafter to the Education Code are by section number only.

“(b) Taxpayers directly participate in the oversight of bond expenditures.

“(c) The members of the oversight committees appointed pursuant to this chapter promptly alert the public to any waste or improper expenditure of school construction bond money.

“(d) That unauthorized expenditures of school construction bond revenues are vigorously investigated, prosecuted, and that the courts act swiftly to restrain any improper expenditures.”

Section 15278 requires the establishment of a citizens’ oversight committee with the following duties:

“The purpose of the citizens’ oversight committee shall be to inform the public concerning the expenditure of bond revenues. The citizens’ oversight committee shall actively review and report on the proper expenditure of taxpayers’ money for school construction. The citizens’ oversight committee shall advise the public as to whether a school district or community college district is in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The citizens’ oversight committee shall convene to provide oversight for, but not be limited to, both of the following:

“(1) Ensuring that bond revenues are expended only for the purposes described in paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

“(2) Ensuring that, as prohibited by subparagraph (A) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, no funds are used for any teacher or administrative salaries or other school operating expenses.” (§ 15278, subd. (b).)

Oversight committees are expressly permitted to engage in a number of review and inspection activities, including review of school districts’ efforts “to maximize bond revenues by implementing cost-saving measures,” specifically including “[m]echanisms designed to reduce the costs of professional fees.” (§ 15278, subd. (c)(5)(A).)

Finally, section 15284 provides for the filing of expedited civil actions, known as “School Bond Waste Prevention Actions,” by persons residing in the school district when, among other things, it appears that bond proceeds are being spent “for purposes other than those specified in paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.” (§ 15284, subd. (a)(1).)

With these constitutional and statutory provisions in mind, we return to the language of section 1, subdivision (b)(3)(A), of article XIII A of the Constitution. School bond proceeds may be expended only for “the construction, reconstruction, rehabilitation, or replacement of school facilities” and *not* “for any other purpose, including teacher and administrator salaries and other school operating expenses.” In which of these categories are the salaries of district employees whose work involves oversight of the construction projects authorized by a voter approved bond measure?

We believe that the phrase “the construction, reconstruction, rehabilitation, or replacement of school facilities” embraces project administrative costs, such as monitoring contracts and project funding, overseeing construction progress, and performing overall project management and accounting that facilitates timely completion of the construction project. A construction project generates not only the costs of materials and equipment, architectural and engineering design work, and construction worker salaries, but also costs of project administration -- work that the school district would not be required to undertake or to fund *but for* the existence of the construction project. This administrative work is performed, whether by private consultants under contract with the school district or by school district employees with expertise in project management, to ensure that all aspects of the construction project are properly coordinated; that each step satisfies the specifications; that invoices are reviewed, revised where appropriate, and paid in a timely manner; that costs do not exceed the project’s budget; and that the project is completed on schedule. (See 78 Ops.Cal.Atty.Gen. 48 (1995).)³

Some of these administrative tasks -- specifically, conducting an annual independent performance audit and an annual independent financial audit during the life of the construction project -- are expressly required by Proposition 39 itself, as a condition of qualifying for the 55 percent voter approval requirement. (See Cal. Const., art. XIII A, § 1, subds. (b)(3)(C), (b)(3)(D).) We view these kinds of project administration costs, because they relate directly to the bond projects and are an integral part of the construction process,

³ We distinguish these “management costs” from actual construction labor that district employees might contribute to the project -- such as electrical work, carpentry, painting, or plumbing. The use of district employees for construction labor is subject to separate legal restrictions. (See, e.g., Pub. Contract Code, § 20114; cf. Pub. Contract Code, § 22032.) However, the question posed here concerns only those administrative duties required for oversight of the construction project.

as coming within “the purposes specified in Article XIII A, Section 1(b) (3).” (Cal. Const., art. XIII A, § 1, subd. (b)(3)(A); see § 15278, subd. (b).)⁴

Such project management costs may therefore be funded by Proposition 39 school bond proceeds unless the expenditures are specifically prohibited under the phrase “teacher and administrator salaries and other school operating expenses.” The “teacher and administrator salaries” in question are limited to those that qualify as “school operating expenses” because of the word “other” contained in the phrase.⁵ We believe that “school operating expenses” are those regular, ongoing, day-to-day costs associated with maintaining and operating a school. Among such expenses would be (1) the cost of managing the educational services provided, including the salaries of school administrators, and (2) the cost of providing instruction to students, including the salaries of teachers. (See 22 Ops.Cal.Atty.Gen. 105, 108 (1953) [school district’s normal operating expenses include purchase of supplies and payment of salaries of school administrators, teachers, and janitors].)⁶

We distinguish between routine, everyday school operating expenses and the narrow category of costs and salaries of concern here -- costs that arise only in connection with, and are incurred only for the duration of, construction projects authorized by a voter approved school bond measure. The latter expenses are not incurred in the school’s ordinary ongoing operation, but are instead an integral part of the construction process and “in the nature of an investment for the future.” As the court explained in *Marin U. Junior College Dist. v. Gwinn* (1930) 106 Cal.App. 12:

“For years the legislature has recognized the well-established economic

⁴ To the extent the management services consist of onsite assessment of technical matters involving, for example, design, materials, building standards, or workmanship, a project manager may be required to be licensed and have experience in the particular subject area. (Cf. Gov. Code, §§ 4525-4529.5; 78 Ops.Cal.Atty.Gen. 48, *supra*; 57 Ops.Cal.Atty.Gen. 421 (1974).)

⁵ In interpreting the constitutional language added by Proposition 39, “our paramount task is to ascertain the intent of those who enacted it. [Citation.]” (*Thompson v. Department of Corrections* (2001) 25 Cal.4th 117, 122.) In determining that intent, we “look first to the language of the constitutional text, giving the words their ordinary meaning.” (*Leone v. Medical Board* (2000) 22 Cal.4th 660, 665.) “ ‘A constitutional amendment should be construed in accordance with the natural and ordinary meaning of its words. [Citation.]’ ” (*Hi-Voltage Wire Works, Inc. v. City of San Jose* (2000) 24 Cal.4th 537, 559.)

⁶ We read Proposition 39’s use of the term “teacher . . . salaries” as meaning salaries for teaching, thus corresponding with “salaries of classroom teachers” as defined for school accounting purposes in section 41011. Appropriate definitions of “teacher” and “administrative employee” are contained in section 41401.

distinction between cost of capital expenditures and cost of maintenance. Throughout the school law this distinction has appeared in the special provisions for taxation (or for the issue of bonds) for the purchase of school lands and erection of school buildings and in the special provisions for maintenance. It is further illustrated by the numerous statutes calling for the creation of special building funds as distinct from the general, or maintenance, funds. It is based upon the sound economic principle that a capital expenditure is in the nature of an investment for the future, whereas the cost of maintenance is a definite present expense.” (*Id.* at pp. 13-14.)

Accordingly, we believe that Proposition 39’s prohibition against the use of school bond proceeds for “school operating expenses” does not bar use of the proceeds for the payment of salaries of school district employees performing oversight work on construction projects authorized by a voter approved bond measure.

Our interpretation of the language of Proposition 39 allows school districts, where feasible, to implement “cost-saving measures” and “reduce the costs of professional fees” on voter approved construction projects -- objectives promoted by the Legislature in implementing Proposition 39. (See § 15278, subd. (c)(5)(A).) School district employees with the requisite expertise may be able to perform project management work at less cost to the district than if the work were performed by private consultants.

It is also consistent with other legislative schemes dealing with similar types of costs. (See, e.g., Gov. Code, § 16727, subd. (a) [“costs of construction or acquisition of capital assets” for which bond proceeds may be expended “include costs incidentally but directly related to construction or acquisition”]; Pub. Resources Code, § 5096.674 [bond proceeds for site acquisition and development of parks and recreation areas may be applied to “costs incurred in connection with administering” bond programs]; Wat. Code, § 13959, subd. (f) [defining “construction” of bond-funded water treatment facilities to include “legal, fiscal, or economic investigations or studies, surveys, designs, plans, . . . or the inspection or supervision of any of the foregoing items”].) Administrative oversight work is an integral part of the construction process.

Finally, we note that a contrary conclusion would permit the use of the school bond proceeds for administrative oversight work if performed by private consultants under contract with a school district while forbidding the use of such proceeds for the same work performed, presumably at lower cost, by district employees. Nothing in the November 8, 2000 ballot pamphlet remotely suggests that California voters intended such a result when they adopted Proposition 39.

We conclude that a school district may use Proposition 39 school bond proceeds to pay the salaries of district employees to the extent they perform administrative oversight work on construction projects authorized by a voter approved bond measure.

(a) If a bond measure authorized pursuant to paragraph (3) of subdivision (b) of Section 1 of Article

(a) If a bond measure 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 is approved, the governing board of the school district or community college shall establish and appoint members to an independent citizens' oversight committee, pursuant to Section 15282, within 60 days of the date that the governing board enters the election results on its minutes pursuant to Section 15274.

(b) The purpose of the citizens' oversight committee shall be to inform the public concerning the expenditure of bond revenues. The citizens' oversight committee shall actively review and report on the proper expenditure of taxpayers' money for school construction. The citizens' oversight committee shall advise the public as to whether a school district or community college district is in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The citizens' oversight committee shall convene to provide oversight for, but not be limited to, both of the following:

(1) Ensuring that bond revenues are expended only for the purposes described in paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

(2) Ensuring that, as prohibited by subparagraph (A) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, no funds are used for any teacher or administrative salaries or other school operating expenses.

(c) In furtherance of its purpose, the citizens' oversight committee may engage in any of the following activities:

(1) Receiving and reviewing copies of the annual, independent performance audit required by subparagraph (C) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

(2) Receiving and reviewing copies of the annual, independent financial audit required by subparagraph (C) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

(3) Inspecting school facilities and grounds to ensure that bond revenues are expended in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

(4) Receiving and reviewing copies of any deferred maintenance proposals or plans developed by a school district or community college district, including any reports required by Section 17584.1.

(5) Reviewing efforts by the school district or community college district to maximize bond revenues by implementing cost-saving measures, including, but not limited to, all of the following:

(A) Mechanisms designed to reduce the costs of professional fees.

(B) Mechanisms designed to reduce the costs of site preparation.

(C) Recommendations regarding the joint use of core facilities.

(D) Mechanisms designed to reduce costs by incorporating efficiencies in school site design.

(E) Recommendations regarding the use of cost-effective and efficient reusable facility plans.

Added by Stats. 2000, Ch. 44, Sec. 3. Effective January 1, 2001.

Barth, Jonathan

From: Palmer, John [jpalmer@Orrick.com]

Sent: Tuesday, September 13, 2011 6:47 PM

To: Barth, Jonathan

Subject: § 15284 (a)An action to obtain an order restraining and preventing any expenditure of funds received by a sc

(a)An action to obtain an order restraining and preventing any expenditure of funds received by a school district or community college district through the sale of bonds authorized by this chapter 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 may be maintained against any officer, agent, or other person acting on behalf of, that school district or community college district, by a citizen residing in the school or community college district who is assessed and is liable to pay an ad valorem tax on real property within the school or community college district, or who has paid an ad valorem tax on real property within the school or community college district within one year before the commencement of the action if it appears by the complaint or affidavits that any of the following conditions are present:

(1)An expenditure of funds received by a school district or community college district through the sale of bonds authorized by this chapter is for purposes other than those specified in paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

(2)The expenditure is not in compliance with paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

(3)That an expenditure in violation of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution will be made or will continue to be made during the litigation that would produce waste or great or irreparable injury.

(4)The governing board of a school district or community college has willfully failed to appoint the citizens' oversight committee in violation of the requirements of Section 15278.

(b)An action brought pursuant to this section shall take special precedence over all civil matters on the calendar of the court except those matters granted equal precedence by law.

(c)The rights, remedies, or penalties established by this section are cumulative to the rights, remedies, or penalties established under other laws, including subdivision (a) of Section 526 of Chapter 3 of Title 7 of Part 2 of the Code of Civil Procedure.

(d)If an order is obtained to restrain and prevent an expenditure of funds pursuant to subdivision (a), a court may award attorneys' fees pursuant to Chapter 6 (commencing with Section 1021.5) of Title 14 of Part 2 of the Code of Civil Procedure.

(e)The action authorized by this section shall be known as a "School Bond Waste Prevention Action."

Added by Stats. 2000, Ch. 44, Sec. 3. Effective January 1, 2001.

via California Law (All 29 Codes)

John Palmer
Public Finance
Orrick, Herrington & Sutcliffe
415 773 4246

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