

RESOLUTION NO. 015-16

RESOLUTION OF THE BOARD OF TRUSTEES OF THE
CABRILLO COMMUNITY COLLEGE DISTRICT ORDERING AN
ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE
ELECTION ORDER

WHEREAS, the Board of Trustees (the "Board") of the Cabrillo Community College District (the "District") has determined that certain educational facilities, infrastructure and equipment at Cabrillo College need to be repaired, constructed, renovated, acquired and equipped in a fiscally prudent manner, to enable the District to maintain Cabrillo College as a valuable community resource that provides an affordable, local education, which increases the educational opportunities of all local students, including career and support facilities for veterans who desire to learn in-demand job skills or transfer to four-year universities; and

WHEREAS, while Cabrillo College provides essential job training and workforce preparation for students of all ages, veterans and local residents, because of the changing economy, it needs to upgrade classrooms, labs and facilities and provide students with up-to-date technology and expanded access to training programs that help them learn new skills and find better paying jobs in business, technology, nursing and other high demand careers; and

WHEREAS, since the costs of attending a U.C. and State college are becoming so expensive, more than five times that of attending a community college, more students are relying on community colleges, such as Cabrillo College, and the high quality, affordable college options they provide; and

WHEREAS, Cabrillo College provides excellent training that prepares students to successfully transfer to University of California and California State University schools to complete their Bachelor's degrees, and we must ensure that Cabrillo College can continue to offer this caliber of education; and

WHEREAS, Cabrillo College continues to serve military veterans, many of whom have recently returned from war zones and face challenges including post-traumatic stress disorder and permanent disability and need upgraded and expanded veteran services and job training facilities so that those returning service members receive the support they need to complete their education and enter the civilian workforce; and

WHEREAS, in today's economic times and competitive job environment, the District must continue providing important training and education for local residents entering the workforce for new professions and income opportunities, as well as for local students to earn college credits, certifications and job skills all at a reasonable price; and

WHEREAS, Cabrillo College classrooms and labs need to be upgraded so students have access to the technology that will help them excel and get good jobs in our 21st century economy, including upgrading classroom technology, science labs and computer labs, as well as improving electrical systems and wiring for computers and wireless internet access; and

WHEREAS, the State of California is not providing the District with enough money for the District to adequately maintain Cabrillo College's educational facilities and academic programs; and

WHEREAS, the Board has received information regarding the feasibility of a local bond measure and the District's bonding capacity; and

WHEREAS, a local measure will help provide funds that cannot be taken away by the State to support local college transfer and job training; and

WHEREAS, a local measure will help Cabrillo College qualify for State matching funds; and

WHEREAS, such local measure will include mandatory taxpayer protections, including an independent citizens' oversight of all funds and mandatory annual financial audits to ensure funds are spent only as authorized; and

WHEREAS, the Board and District has solicited stakeholder and community input on priorities from students, faculty, staff, business and civic leaders, and the community; and

WHEREAS, in the judgment of the Board, it is advisable to provide additional funding to improve facilities to better prepare local students and veterans for transfer to four-year colleges and universities, and/or successful jobs and careers, by means of a general obligation bond, issued in a financially prudent manner; 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 or bonded indebtedness to 55% of the votes cast on a community college district general obligation bond; and

WHEREAS, concurrent with the passage of Proposition 39, Chapter 1.5, Part 10, Division 1, Title 1 (commencing with Section 15264) of the Education Code (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 annual financial audit requirements standards of financial accountability and citizen oversight which are contained in Proposition 39 and the Act; and

WHEREAS, the Board determines that, in accordance with Opinion No. 04-110 of the Attorney General of the State of California, the restrictions in Proposition 39, which prohibit any bond money from being wasted or used for inappropriate administrator salaries and other operating expenses of the District shall be strictly monitored by the District's Citizens' Oversight Committee; 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, Section 9400 *et seq.* of the Elections Code of the State of California (the "Elections Code") requires that a tax rate statement be contained in all official materials, including any ballot pamphlet prepared, sponsored or distributed by the District, relating to the election; and

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

WHEREAS, pursuant to the California 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, June 7, 2016, and to request each of the Santa Cruz County Registrar of Voters, the Monterey County Registrar of Voters and the San Benito County Registrar of Voters to perform certain election services for the District; and

WHEREAS, in the judgment of the Board, it is advisable to request each of the Santa Cruz County Registrar of Voters, the Monterey County Registrar of Voters and the San Benito County Registrar of Voters to call an election pursuant to Proposition 39 on the question of whether general obligation bonds shall be issued and sold on behalf of the District for purposes set forth below.

NOW THEREFORE, THE BOARD OF TRUSTEES OF THE CABRILLO COMMUNITY COLLEGE DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the Board, pursuant to Education Code Sections 15100 *et seq.*, Sections 15264 *et seq.* and Government Code Section 53506, hereby requests each of the Santa Cruz County Registrar of Voters, Monterey County Registrar of Voters and San Benito County Registrar of Voters to call 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 \$310,000,000 (the "Bonds") shall be issued and sold to raise money for the purposes described in Exhibits "A" and "B" hereto. Both exhibits are directed to be printed in the voter sample ballot pamphlet.

Section 2. That the date of the election shall be June 7, 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" and incorporated by reference herein, 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 and the Act, the ballot proposition in Exhibit "A" is subject to the following requirements and determinations:

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

(b) that the Board, in compliance with Proposition 39, and in establishing the projects set forth in Exhibit "B", evaluated university transfer, student safety, class size, class availability, information technology and the job training needs of the District;

(c) that the Board will cause to be conducted an annual, independent performance audit to ensure that the Bond moneys get expended for the projects identified in Exhibits "A" and "B" hereto;

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

(e) that the Board will cause the appointment of 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. The Citizens' Oversight Committee shall initially consist of at least seven (7) members and at no time consist of less than seven (7)

members, with the possible exception of brief periods to fill any unexpected vacancies. The Citizens' Oversight Committee may not include any employee or official of the District or any vendor, contractor or consultant of the District. The Citizens' Oversight Committee shall include, among others, the following: One (1) member who is active in a business organization representing the business community located within the District; One (1) member who is active in a senior citizens' organization; One (1) member who is active in a bona fide taxpayer association. In furtherance of its specifically enumerated purposes, the Citizens' Oversight Committee may engage in any of the following activities relating solely and exclusively to the expenditure of the Proposition 39 bond proceeds:

- (i) Receive and review copies of the annual, independent financial and performance audits performed by independent consultant(s);
- (ii) Inspect District facilities and grounds to ensure that Proposition 39 bond revenues are expended in compliance with applicable law;
- (iii) Receive and review copies of all scheduled maintenance proposals or plans developed by the District;
- (iv) Review efforts of the District to maximize Proposition 39 bond revenues by implementing cost-saving programs; and

(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.

Section 4. That the authority for ordering the election is contained in Education Code Sections 15100 *et seq.*, 15340 *et seq.* and 15264 *et seq.* and Government Code Section 53506.

Section 5. That the authority for the specifications of this election order is contained in Section 5322 of the Education Code.

Section 6. That each of the Santa Cruz County Registrar of Voters, the Santa Cruz County Board of Supervisors, the Monterey County Registrar of Voters, the Monterey County Board of Supervisors, the San Benito County Registrar of Voters and the San Benito County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on June 7, 2016 within the District.

Section 7. That this Resolution shall stand as the "order of election" to each of the Santa Cruz County Registrar of Voters, the Monterey County Registrar of Voters and the San Benito County Registrar of Voters to call an election within the boundaries of the District on June 7, 2016.

Section 8. That the Secretary of the Board is hereby directed to send a certified copy of this Resolution to each of the Santa Cruz County Registrar of Voters, the Monterey County Registrar of Voters and the San Benito County Registrar of Voters no later than March 11, 2016.

Section 9. That the Bonds may be issued pursuant to Section 15300 *et seq.* of the Education Code and pursuant to Section 53506 of the Government Code. 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. The Board approves the filing with each of the Santa

Cruz County Registrar of Voters, the Monterey County Registrar of Voters and the San Benito County Registrar of Voters of a Tax Rate Statement and primary and rebuttal arguments, as appropriate, and directs their publication in accordance with the requirements of the Elections Code.

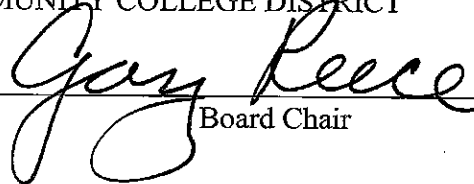
Section 10. That the Board requests the governing body of any such other political subdivision, or any officer otherwise authorized by law, to partially or completely consolidate such election and to further provide that the canvass be made by anybody or official authorized by law to canvass the returns of the election, and that the Board consents to such consolidation. Pursuant to Elections Code Section 1043 the Board acknowledges that the consolidation election will be held and conducted in the manner prescribed in Elections Code Section 1048.

Section 11. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Boards of Supervisors of Santa Cruz County, Monterey County and San Benito County are requested to permit their respective Registrars of Voters to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse each of Santa Cruz County, Monterey County and San Benito 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 Section 9401 of the Elections Code) pursuant to the terms of Section 5363 of the Education Code and Section 12112 of the Elections Code.

ADOPTED, SIGNED AND APPROVED this 7th day of March, 2016.

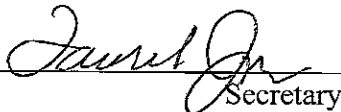
BOARD OF TRUSTEES OF THE CABRILLO
COMMUNITY COLLEGE DISTRICT

By



Board Chair

Attest:


Secretary

STATE OF CALIFORNIA)
)ss
SANTA CRUZ COUNTY)

I, Dr. Laurel Jones, do hereby certify that the foregoing is a true and correct copy of Resolution No. 015-16, which was duly adopted by the Board of Trustees of the Cabrillo Community College District at meeting thereof held on the 7th day of March, 2016, and that it was so adopted by the following vote:

AYES: Reece, Banks, Ziel, Spencer, and Smith

NOES: None

ABSENT: Cuevas

ABSTENTIONS: None

By Laurel Jones
Secretary

EXHIBIT A

“CABRILLO COLLEGE TECHNOLOGY, JOB TRAINING, CLASSROOM REPAIR MEASURE. To repair/upgrade classrooms to better prepare students, veterans, workers for good jobs/university transfer by upgrading aging classrooms, technology/science labs, repairing outdated, deteriorating wiring, sewer lines, improving campus safety, handicapped accessibility, increasing water conservation/energy efficiency, and acquiring, constructing, repairing sites/facilities/equipment, shall Cabrillo Community College District issue \$310,000,000 in bonds at legal rates, no funding administrators’ salaries/pensions, requiring independent audits, and all funds used locally?”

Bonds – Yes

Bonds – No

EXHIBIT B
FULL TEXT BALLOT PROPOSITION
CABRILLO COMMUNITY COLLEGE DISTRICT
BOND MEASURE ELECTION JUNE 7, 2016

“CABRILLO COLLEGE TECHNOLOGY, JOB TRAINING, CLASSROOM REPAIR MEASURE. To repair/upgrade classrooms to better prepare students, veterans, workers for good jobs/university transfer by upgrading aging classrooms, technology/science labs, repairing outdated, deteriorating wiring, sewer lines, improving campus safety, handicapped accessibility, increasing water conservation/energy efficiency, and acquiring, constructing, repairing sites/facilities/equipment, shall Cabrillo Community College District issue \$310,000,000 in bonds at legal rates, no funding administrators’ salaries/pensions, requiring independent audits, and all funds used locally?”

Bonds – Yes

Bonds – No

PROJECTS

The Board of Trustees of the Cabrillo Community College District, to be responsive to the needs of its community, evaluated Cabrillo College’s urgent and critical facility needs, and its capacity to provide students and military **veterans** with support facilities, an **affordable education** and prepare them for success in college and careers. 21st Century job training, safety, enrollment, class size and class offerings, and information and **computer technology** infrastructure were each considered, in developing the scope of projects to be funded. In developing the scope of projects, the faculty, staff, students and community have **prioritized local job training**, particularly in business, technology, nursing and other high demand careers, as well as facilities available to support an **affordable education**, so that the most critical needs that will make Cabrillo College an effective place for learning and **college transfer**, would be addressed. Based on Board, faculty, student and community input, it was concluded that if these facility needs were not addressed now, the Cabrillo College would be unable to remain competitive in preparing students for jobs in high demand industries and university transfer. **In approving the Projects, the Board of Trustees determines that Cabrillo College MUST:**

- (i) **Provide upgraded classrooms and technology to deliver essential JOB TRAINING and workforce preparation for students of all ages, VETERANS, and local residents; and**
- (ii) **Provide an AFFORDABLE, high quality education that prepares students for four year colleges, like U.C. Santa Cruz and increases opportunities to earn college credits, Certifications and job skills at a reasonable price; and**
- (iii) **Ensure that every penny from this measure benefits Cabrillo College, and that no funds can be taken by the State.**

The following types of projects are authorized to be undertaken at Cabrillo College:

**PROVIDING AN AFFORDABLE EDUCATION
FOR LOCAL RESIDENTS AND VETERANS:**

**Basic Repair Projects Needed To Make
Cabrillo College a Safe Place for Learning**

Goals and Purposes: The cost to attend California's public universities has risen to at least five times that of attending a community college. As a result, more local students and their families rely on Cabrillo College to save tens of thousands of dollars. Additional funds are needed to increase opportunities for local students to earn college credits, certifications, and job skills at a reasonable price and transfer to four-year colleges and universities.

Many of Cabrillo's buildings, classrooms, science labs, and job training equipment are deteriorating and outdated. This measure will address urgent and basic repairs such as upgrading electrical wiring, gas and sewer lines, fixing leaky roofs, repairing bathrooms, and replacing outdated plumbing and wiring to make our local college clean and safe for learning.

- Replace outdated electrical wiring.
- Repair deteriorating gas, electrical, water and sewer lines.
- Make campus buildings more energy efficient.
- Improve water conservation efforts.
- Update campus facilities to improve access for those with disabilities.
- Repair to the aging plumbing system to prevent flooding and water damage.

PROVIDING JOB TRAINING AND COLLEGE TRANSFER:

**Academic Facility and Technology Upgrade Projects
To Help Students and Veterans Transfer to Four-Year
Universities or be Trained For 21st Century Jobs**

Goals and Purposes: Cabrillo College provides excellent training that prepares students to successfully transfer to UC and CSU schools, such as UC Santa Cruz and CSU Monterey Bay as well as public and private colleges throughout the Country, to complete their Bachelor's degrees. It has ranked #1 in transfers to UC Santa Cruz and #2 in transfers to CSU Monterey Bay. Cabrillo also has an 80% transfer rate to UCLA for its honors scholars and a 90% transfer rate to UC Berkeley. By upgrading our outdated technology, classrooms and science labs, Cabrillo can continue to offer this caliber of education.

Cabrillo College provides essential job training and workforce preparation for students, veterans, and local residents. Because of the changing economy, classrooms, labs and facilities need to be upgraded to provide students with up-to-date technology and expand access to training programs that help them learn new skills and find better paying jobs in business, technology, allied health programs and other high demand careers.

Cabrillo College classrooms and labs need to be upgraded so students have access to the technology that will help them excel in our 21st century economy. By upgrading classroom technology, science labs and computer labs, as well as improving electrical systems and wiring for computers and wireless internet access, we can ensure our students are prepared for good jobs.

Cabrillo College has served hundreds of military veterans and their families, and more each year, many of whom have recently returned from war zones and face challenges including post-traumatic stress disorder and permanent disability. Upgraded and expanded veteran services and job training are needed so returning Service Members receive the support they need to complete their education and enter the civilian workforce.

Thus the District requires funds that are locally controlled to obtain State matching funds and improve academic facilities which will allow them to continue providing access to affordable, high quality education to local students and veterans, including:

- Upgrade career and vocational classrooms to better prepare students and workers for good-paying jobs.
- Upgrade facilities which prepare students to transfer to four-year colleges and universities.
- Provide or upgrade facilities for student support services, such as tutoring and career counseling.
- Upgrade classrooms and labs for science, technology, engineering, and math-related fields.
- Upgrade technology infrastructure for classroom instruction.
- Improve and maintain culinary arts, and other career education program facilities.
- Improve technology to support online education.
- Create a one-stop veterans' center to provide them with support programs and educational resources.

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FISCAL ACCOUNTABILITY

This bond measure has strict accountability requirements including:

1. All money will benefit Cabrillo College campuses and CANNOT BE TAKEN BY THE STATE.
2. NO MONEY can be used for ADMINISTRATOR SALARIES or pensions.
3. Require CITIZENS' OVERSIGHT and yearly reports to the community to keep the College accountable for how the funds are spent.
4. NO 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, faculty and college 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, staff training expenses and a customary contingency. In addition to the listed projects stated above, authorized projects also include the acquisition of a variety of instructional, maintenance and operational equipment, including interim funding incurred to advance fund projects from payment of the costs of preparation of all facility planning, fiscal reporting, 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 college activities caused by construction projects. In addition to the projects listed above, repair, renovation and construction projects may include, but not be limited to, some or all of the following: renovation of student and staff restrooms; replace aging electrical and plumbing systems; repair and replacement of heating and ventilation systems; acquire vehicles; upgrade of facilities for energy efficiencies, including photovoltaic/solar installations; repair and replacement of worn-out and leaky roofs, windows, walls doors and drinking fountains; replace or remove outdated buildings and classrooms and construction of new classrooms and support buildings; installation of wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; upgrade facilities to meet current environmental sustainability and State compliance standards; repair and replacement of fire alarms, emergency communications and security systems; upgrading, resurfacing, replacing or relocating of hard courts, fields, turf and irrigation systems; install artificial turf on athletic fields; upgrade classrooms; build or upgrade facilities for math, physical sciences, fine arts, theatre arts, and agriculture and environmental science programs; construct, expand or reconfigure facilities to create large lecture classrooms; upgrade, resurfacing and reconditioning existing parking lots; repair, upgrade and install interior and exterior lighting systems; replace water lines and valves, sewer lines and other plumbing systems; construct, upgrade, acquire or expand multi-use classrooms and labs, culinary and health services buildings, fine arts and visual and performing arts facilities, learning resources center, physical education/aquatic facilities, locker rooms, administrative offices, conference center, maintenance building, student service/campus center and instructional buildings, trades and technology building, library, athletic fields, student services buildings; improve water conservation and energy efficiency; replace or upgrade outdated security and safety systems; replace existing window systems with energy-efficient systems to reduce costs; improve insulation, weatherproofing and roofs to reduce costs; improve access for the disabled; install and repair fire safety equipment, including alarms, smoke detectors, sprinklers, emergency lighting, and fire safety doors; replace broken concrete walks, deteriorated asphalt; replace/upgrade existing signage, bells and clocks; demolition of unsafe facilities; install new security systems, such as security

(surveillance) cameras, burglar alarms, handrails, outdoor lighting, fencing, gates and classroom door locks; replace sewer lines and improve drainage systems to prevent flooding; upgrade roadway and pedestrian paths for improved safety and access for emergency vehicles, site parking, utilities and grounds. The project list also includes the refinancing of outstanding lease obligations. The upgrading of technology infrastructure includes, but is not limited to, the funding of state-of-the-art projectors, portable interface devices, servers, switches, routers, modules, sound projection systems, information systems, printers, digital white boards, upgrade voice-over-IP, communication systems, audio/visual and telecommunications systems, call manager and network security/firewall, Internet connectivity, wireless systems, technology infrastructure, and other miscellaneous IT and instructional equipment, DATA storage, fiber/copper infrastructure, phones, identity access cards.

The allocation of bond proceeds will be affected by the District's receipt of State matching funds and the final costs of each project. In the absence of State matching funds, which the District will aggressively pursue to reduce the District's share of the costs of the projects, the District will not be able to complete some of the projects listed above. Some projects may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. The budget for each project is an estimate and may be affected by factors beyond the District's control. 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.