

RESOLUTION NO. 23-24-12

RESOLUTION OF THE BOARD OF TRUSTEES OF BONNY DOON UNION ELEMENTARY SCHOOL DISTRICT ORDERING AN ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER

WHEREAS, the Board of Trustees (the “Board”) of the Bonny Doon Union Elementary School District (the “District”) is committed to improving the quality of education at Bonny Doon Elementary School; and

WHEREAS, the Board believes that, in order to achieve this goal, District facilities need to be upgraded to better enable the District to maintain and enhance the educational and athletic instruction of students; and

WHEREAS, additional resources are necessary to make basic improvements, including replacing deteriorating plumbing and sewer systems, repairing or replacing leaky roofs and modernizing outdated classrooms, restrooms and other school facilities; and

WHEREAS, the District desires to make energy efficiency improvements, including energy efficient lighting, air conditioning, heating, insulation and windows; and

WHEREAS, by modernizing and renovating outdated school facilities, improving playground and playfields, and making health, safety and security improvements, this bond measure will help improve the safety and quality of education at Bonny Doon Elementary School; and

WHEREAS, even if community members do not have school-age children, supporting a local bond measure is a wise investment, as good schools improve the quality of life in our community and protect the value of our homes; and

WHEREAS, the State of California (the “State”) does not provide the District with enough money for the District to adequately construct and repair schools to provide an optimal learning environment for all students; and

WHEREAS, the Board has received information regarding the possibility of a local bond measure and its bonding capacity; 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, 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* property 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 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 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, the Board hereby directs 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 administrative salaries or other operating expenses of the District shall be monitored by the District's Independent 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, 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 5, 2024, and to request the Santa Cruz County Registrar of Voters to perform certain election services for the District.

NOW THEREFORE, THE BOARD OF TRUSTEES OF THE BONNY DOON UNION ELEMENTARY SCHOOL DISTRICT 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 Santa Cruz 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 \$7,000,000 (the "Bonds") shall be issued and sold for the purpose of raising money for the types of projects described in Exhibits "A" and "B" hereto. Both exhibits are directed to be printed in the voter pamphlet. The District's Superintendent, or designee, is hereby authorized and directed to make any changes to the text of the measure, or to the abbreviated form of the measure, as may be convenient or necessary to comply with the intent of this Resolution, the requirements of election officials, and requirements of law.

Section 2. That the date of the election shall be November 5, 2024.

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 within the District to the extent permitted by such proposition. In compliance with Proposition 39 and the Act, the ballot propositions in Exhibits “A” and “B” are subject to the following requirements and determinations:

(a) that 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, and classroom, educational and information technology needs of the District;

(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; 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.*, 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. In connection with ordering the election pursuant to the provisions mentioned above, the District has obtained reasonable and informal projections or assessed property valuations that take into consideration projections of assessed property valuations made by the county assessor that are available to the District.

Section 6. That the Santa Cruz County Registrar of Voters and the Santa Cruz County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 5, 2024 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 Santa Cruz County Registrar of Voters no later than June 27, 2024.

Section 8. That the 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 Santa Cruz County Registrar of Voters by the established deadlines.

Section 10. That the Board authorizes the Superintendent or his designee to enter into professional services agreements with Isom Advisors, a Division of Urban Futures, Inc. as municipal advisor and Stradling Yocca Carlson & Rauth LLP, as bond counsel in connection with the matters authorized by this resolution.

Section 11. Pursuant to Education Code Section 5303 and Elections Code Section 10002, the Board of Supervisors of Santa Cruz 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 Santa Cruz 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 13th day of June, 2024.

BOARD OF TRUSTEES OF THE BONNY DOON
UNION ELEMENTARY SCHOOL DISTRICT

By _____
President

Attest:

Secretary

STATE OF CALIFORNIA)
)ss
SANTA CRUZ COUNTY)

I, Mike Heffner, do hereby certify that the foregoing is a true and correct copy of Resolution No. 23-24-12, which was duly adopted by the Board of Trustees of the Bonny Doon Union Elementary School District at the meeting thereof held on the 13th day of June, 2024, and that it was so adopted by the following vote:

AYES: 4

NOES: 0

ABSENT: 0

ABSTENTIONS: 0

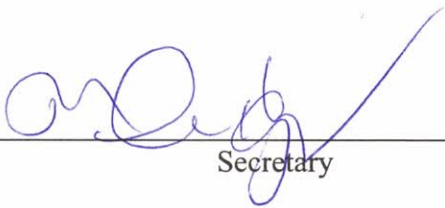
By  _____
Secretary

EXHIBIT A

“To modernize outdated classrooms/restrooms/school facilities to improve the quality of education; make security improvements; replace deteriorating plumbing and sewer systems; acquire, construct, improve sites/facilities/equipment, shall Bonny Doon Union Elementary School District’s measure to issue \$7,000,000 of bonds at legal rates, generating on average \$456,000 annually as long as bonds are outstanding at approximately 3 cents per \$100 assessed value, be adopted, with annual audits, independent citizens’ oversight committee, NO money for salaries, all money staying local?”

Bonds – Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE BONNY DOON UNION ELEMENTARY SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 5, 2024

The following is the full proposition presented to the voters of the District by the Bonny Doon Union Elementary School District.

“To modernize outdated classrooms/restrooms/school facilities to improve the quality of education; make security improvements; replace deteriorating plumbing and sewer systems; acquire, construct, improve sites/facilities/equipment, shall Bonny Doon Union Elementary School District’s measure to issue \$7,000,000 of bonds at legal rates, generating on average \$456,000 annually as long as bonds are outstanding at approximately 3 cents per \$100 assessed value, be adopted, with annual audits, independent citizens’ oversight committee, NO money for salaries, all money staying local?”

PROJECT LIST

The Board of Trustees of the Bonny Doon Union Elementary School District evaluated the District’s urgent and critical facility needs, including safety issues, class size, class size reduction, and computer and information technology, in developing the scope of projects to be funded. The District has also conducted a facilities evaluation in developing this Project List. The Board concluded that if these needs are not addressed now, the problems will only become more pressing.

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

- **Replace deteriorating plumbing and sewer systems.**
- Construct, upgrade or repair school site parking, campus accessibility, walkways and paths of travel.
- **Modernize outdated classrooms, restrooms and school facilities.**
- Repair/replace fire alarm and sensor systems.
- Modernize or replace portable classrooms.
- **Improve or replace playground, play structures and playfields for school and community use.**
- Upgrade of facilities for energy efficiencies, including energy efficient lighting, air conditioning, heating, insulation and windows.
- **Repair or replace leaky roofs.**
- Repair or replace security fencing, retaining walls and gates.
- **Make health, safety and security improvements.**

Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program management, staff training expenses and a customary contingency, as well as an escalation for unforeseen design and construction costs. In addition to the listed projects stated above, the Project List also includes the payment of the costs of

preparation of all facility planning, facility assessment reviews and master plans, environmental studies, design and construction documentation, inspection and permit fees, and temporary housing of dislocated District activities caused by bond projects, as well as the refinancing of outstanding lease obligations or interim funding incurred to advance projects from the Project List. The Project List shall also include the upgrading of technology infrastructure, including but not limited to fiber modifications, servers, switches, routers, modules, computers, tablets, district-wide computer lab upgrades, smart boards, cameras, sound projection systems, wiring classrooms for internet connectivity, wireless networks, wireless access points and controllers, portable interface devices, mobile device management systems, printers, upgraded voice-over-IP, phone systems, call manager and network security/firewall, and other miscellaneous equipment. The repair and improvement of District facilities include the following types of projects: upgrade of facilities for energy efficiencies, including solar panels; construct, upgrade, repair or install school site parking, campus accessibility, utilities, plumbing, gas lines, playground equipment, drinking fountains, hard court surfaces or turf, general site paving, learning walls, tack boards, cabinets, restrooms, roofs, interior and exterior lighting, water heaters, boilers, fences, retaining/safety walls and walkway covers, bell/clock systems, signage, electronic marquees, asphalt, fire sprinklers, public address systems, telephones, shade structures, heating and security systems, multipurpose rooms, playgrounds and play fields/courts; renovate, upgrade, relocate or convert classrooms and science labs; modernize or replace portable structures; upgrade, replace or reconfigure sidewalks, walkways/path of travel, parking lots and drop off/pick up zones to improve student safety; make facility improvements for earthquake safety; upgrade electrical wiring and systems; renovate and paint interior and exterior building surfaces; improve/install safety, security and communication systems and equipment, windows and floor/ceiling coverings (including tiles and carpeting); doors and locks; construct/improve classrooms, administrative facilities, libraries, kitchens and music, art and performing arts classrooms and spaces; build or upgrade irrigation and drainage systems; improve landscaping; upgrade school administrative spaces, including furnishings; acquire furnishings and/or other electronic equipment and systems.

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 are finalized, construction bids 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 enhanced and operationally efficient campuses. Necessary site preparation/restoration and landscaping 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, redirecting fire access, and acquiring any necessary easements, licenses, or rights of way to the property.

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

FISCAL ACCOUNTABILITY: IN ACCORDANCE WITH EDUCATION CODE SECTION 15272, THE BOARD OF TRUSTEES WILL APPOINT A CITIZENS' OVERSIGHT COMMITTEE AND CONDUCT ANNUAL INDEPENDENT AUDITS TO

ASSURE THAT FUNDS ARE SPENT ONLY ON DISTRICT PROJECTS AND FOR NO OTHER PURPOSE. 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.

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. Bond funds may not be temporarily transferred to the District's general fund for administrative purposes.

