

BEFORE THE BOARD OF EDUCATION OF THE
ELK GROVE UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 1, 2016-17

RESOLUTION ORDERING AN ELECTION TO AUTHORIZE THE
ISSUANCE OF SCHOOL BONDS, ESTABLISHING SPECIFICATIONS
OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION
WITH ANY OTHER ELECTIONS OCCURRING ON NOVEMBER 8, 2016

WHEREAS, in the judgment of the Board of Education (the “Board”) of the Elk Grove Unified School District (the “District”), it is advisable to call an election to submit to the electors of the District the question of whether the bonds of the District shall be issued and sold for the purpose of raising money for the improvement, upgrade, and renovation of the District’s existing schools and the acquisition and construction of additional classrooms and school facilities; and

WHEREAS, the District has a strong and very successful tradition of outstanding school facilities, a testament to a continued commitment to provide exceptional learning environments, which are critical for high quality learning and instruction; and

WHEREAS, involving extensive stakeholder and community engagement, and developed and published entirely by District staff, the District has adopted a Facilities Master Plan 2015-2025 Update (“FMP”), representing the most comprehensive and significant facilities master plan in the history of the District; and

WHEREAS, the FMP identified the current and future needs to improve, modernize, and maintain our existing schools, and the resources necessary to preserve and maintain the District’s capital assets and provide additional facilities to accommodate future projected enrollment growth, including a General Obligation Bond measure to meet the substantial facility needs over the next decade and beyond; and

WHEREAS, schools, classrooms, and facilities within the District are aging and in need of expansion, replacement or repair, with respect to roofing, heating and air conditioning systems, storm and water drainage systems, security systems, plumbing, insulation, electrical systems and wiring, safety and security, and lighting systems, or upgrading to ensure the health and safety of pupils, staff and community and to provide for adequate housing for the District’s pupils; and

WHEREAS, schools and facilities within the District are in need of renovation, reconstruction, and repair with respect to aging classrooms, labs, performing arts venues, physical education facilities, and other instructional and support facilities in order to provide

21st century learning environments that will meet current and future standards, support academic and career pathways, and reinforce learning and teaching; and

WHEREAS, antiquated facilities systems throughout the schools are both ineffective and costly to operate and need to be updated; and

WHEREAS, District schools need technology infrastructure and tools to meet curricular requirements and prepare and equip students to compete and succeed in the global economy; and

WHEREAS, the District projects the need for 10-12 new schools and additional classrooms in order to relieve existing overcrowding and accommodate a projected increase of not less than 14,000 pupils over the next 10 years due to ongoing residential development; and

WHEREAS, excellent schools and classrooms benefit the District's ability to recruit and retain the best and brightest teachers, administrators, and support staff; and

WHEREAS, excellent schools, classrooms and services will keep our vast community vital by continuing to attract young families; and

WHEREAS, without a local school bond, the District will lose the opportunity to receive state matching funds which will then be awarded to other school districts; and

WHEREAS, as a result of the approval of Proposition 39 on November 7, 2000, Article XIII A, Section 1, paragraph (b) of the California Constitution ("Article XIII A") provides an exception to the limit on *ad valorem* property taxes on real property for bonded indebtedness incurred by a school district that has been approved by fifty-five percent (55%) of the voters of the District voting on the proposition; and

WHEREAS, pursuant to California Education Code section 15264 *et seq.* (the "Act"), this Board is specifically authorized, upon approval by two-thirds (2/3) of the Board, to submit to the electorate of the District the question of whether bonds of the District shall be issued and sold for specified purposes, upon a fifty-five percent (55%) vote of the electorate in favor on the question, pursuant to paragraph (3) of said subdivision (b) of Section 1 of Article XIII A and subdivision (b) of Section 18 of Article XVI of the California Constitution; and

WHEREAS, pursuant to California Election Code section 10403, *et seq.*, it is appropriate for the Board to request consolidation of the election with any and all other elections to be held on Tuesday, November 8, 2016, and to request the election officials of Sacramento County (the "County") to perform certain election services for the District.

NOW, THEREFORE, THE BOARD OF EDUCATION OF THE ELK GROVE UNIFIED SCHOOL DISTRICT HEREBY RESOLVES, DETERMINES, AND ORDERS AS FOLLOWS:

1. **Call for Election.** The Board hereby orders an election and submits to the electors of the District the question of whether general obligation bonds of the District shall be issued and sold in the principal amount not to exceed \$476,000,000 for the purpose of raising money for the improvement, upgrade, renovation, and replacement of the District's existing schools, facilities, and improvements, and the acquisition and construction of additional schools, facilities, and improvements, and paying costs incident thereto, as set forth more fully in a ballot proposition approved pursuant to Section 3 below. This Resolution constitutes the order of the District to call such election.

2. **Election Date.** The date of the election shall be November 8, 2016, and the election shall be held solely within the boundaries of the District.

3. **Purpose of Election; Ballot Proposition.** The purpose of the election shall be for the voters of the District to vote on a proposition, a full copy of which is attached hereto as *Exhibit A*, containing the question of whether the District shall issue the Bonds for the purposes stated therein, together with the accountability requirements of Article XIII A and the requirements of section 15272 of the Act. As required by California Elections Code section 13247, the abbreviated form of the measure to appear on the ballot is attached hereto as *Exhibit B*. The District's Superintendent (or his/her designee) is hereby authorized and directed to make any changes to the text of the proposition or its abbreviated form as required to comply with the intent of this Resolution, the requirements of elections officials, and requirements of law.

4. **Authority for Election.** The authority for ordering the election is contained in California Education Code section 15264, *et seq.* and Article XIII A, Section 1, paragraph (b), subsection (3) of the California Constitution. The authority for the specification of this election order is contained in California Education Code section 5322.

5. **School Facilities Projects.** A list of the specific school facilities projects and uses to be funded from the proceeds of the bonds is set forth in *Exhibit A*. As required by Article XIII A, the Board hereby certifies that it has evaluated safety, class-size reduction, and information technology needs of the District in developing the list of school facilities projects and uses set forth in *Exhibit A*.

6. **Covenants of the Board Upon Approval of the Bonds by the Electorate.** As required by Article XIII A and section 15272 of the Act, if fifty-five percent (55%) of the voters of the District voting on the measure approve of the bonds, the Board shall:

(a) Use the bond proceeds only for the purposes authorized under Article XIII A, including construction, reconstruction, rehabilitation, or replacement of school facilities, furnishing and equipping of school facilities, and the acquisition or lease of real property for school facilities, as specifically set forth in *Exhibit A*, and costs

incident thereto, and not for any other purpose, including salaries and other routine school operating expenses;

(b) Conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the projects and uses listed in *Exhibit A*;

(c) Conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for school facilities projects and uses listed in *Exhibit A*; and

(d) Establish and appoint members to an independent citizens' oversight committee in accordance with sections 15278, 15280, and 15282 of the Act.

7. **Delivery of this Resolution.** The Clerk of this Board is hereby authorized and directed to send or hand deliver a copy of this Resolution to the County Superintendent of Schools and the County Registrar of Voters by no later than August 12, 2016.

8. **Declaration of Official Intent.** The District hereby declares its official intent, subject to the further approval of this Board, to use up to the maximum amount permitted by law of the proceeds of the proposed bonds to reimburse itself for payments it has made for any eligible costs of the projects and uses listed in *Exhibit A*. It is intended that this Resolution shall, among other things, constitute a declaration of "official intent" within the meaning of Section 1.150-2 of the Treasury Regulations promulgated under Section 150 of the Internal Revenue Code of 1986, as amended.

9. **Ballot Arguments; Tax Rate Statement.** Any and all members of this Board are hereby authorized to act as an author of any ballot argument prepared in connection with the election, including a rebuttal argument. The Superintendent, President of the Board, or their designees, are hereby authorized to execute any Tax Rate Statement or other document and to perform all acts necessary to place the bond measure on the ballot.

10. **Consolidation of Election; Election Services.** The County Registrar of Voters and the County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 8, 2016 within the District. Pursuant to section 5303 of the Education Code and section 10002 of the Elections Code, the County Board of Supervisors is requested to permit the County Registrar of Voters, and other appropriate officials of the County, to render all services necessary in connection with the bond election including, but not limited to, publication of a Formal Notice of School Bond Election pursuant to Education Code 5363 and related law (the proposed form of which is attached hereto as *Exhibit C*), the mailing of the sample ballot and tax rate statement (described in section 9401 of the Elections Code), the opportunity to submit ballot arguments in connection with the bond election, the canvassing and certification of the returns of the election, and other ballot requirements pursuant to Elections Code section 15123, for which services the District agrees to reimburse the County as required by law.

11. **Severability.** If any section, subsection, phrase or clause of this Resolution, or its application to any person or circumstance, is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Resolution, or their application to any other person or circumstance. The Board declares that it would have adopted this Resolution and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, sentences, phrases or clauses, or their application to any person or circumstance, shall be declared invalid.

12. **Effective Date.** This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED on August 1, 2016, by the following vote:

AYES: _____

NOES: _____

ABSTENTIONS: _____

ABSENT: _____

By: _____
President, Board of Education
of the Elk Grove Unified School District

ATTEST:

By: _____
Clerk, Board of Education
of the Elk Grove Unified School District

EXHIBIT A

FULL TEXT OF BOND MEASURE

for

ELK GROVE UNIFIED SCHOOL DISTRICT

INTRODUCTION

The Elk Grove Unified School District serves a vast community, serving the Cities of Elk Grove, Rancho Cordova, and Sacramento as well as the County of Sacramento, with a student population of approximately 62,000 in over 60 schools, including 40 elementary schools, nine middle schools, nine high schools, three continuation schools, one independent study program, one charter school, and an adult career training center. The District has a significant number of aging schools, the oldest of which was built in 1935, 15 are over 45 years old, and 37 are over 20 years old. The average age of the District's school buildings is 22 years old, which marks an age in which school buildings require significant upgrades such as learning environment improvements, building systems require long term maintenance and/or replacement, and in some cases older buildings, especially portables, require replacement. Specifically the District has 520 portable classrooms, 385 of which are over 20 years old exceeding the life expectancy of these "temporary" buildings. The District's existing school facilities require significant improvements and renovation as well as long term maintenance in order to provide 21st century learning environments that will meet current and future standards. At the same time the District faces significant growth challenges to adequately house all of its current and future students. There are nearly 90,000 new homes currently in planning stages, nearly 20,000 of which are projected to be built in the next 10 years, which will increase the District's student population by not less than 14,000 students over the same period. A long term solution is needed to address these issues.

The State of California requires a local match, funded primarily through local, general obligation bonds, for school districts wishing to pursue matching state funds for the upgrade or replacement of school buildings and facilities. The millions of dollars potentially available through the State match allows local taxpayers to benefit from the tax dollars they already pay to the State of California.

It is imperative that our students are housed in safe schools. In addition, our students would benefit from complete, comprehensive, and efficient schools. We need to act locally to build and provide safe and modern schools to ensure our students have the educational opportunities they deserve and to be college- and career-ready.

BONDS

To repair and modernize classrooms, fix deteriorating roofs, plumbing, and HVAC systems, improve student safety and campus security, construct and upgrade additional classrooms, labs, career technical education facilities and instructional technology to support student achievement in math, science, arts and skilled trades and keep up with growth and relieve overcrowding shall the Elk Grove Unified School District issue \$476,000,000 in bonds to be spent only on specified projects, with independent citizen oversight and no money for administrator salaries?

SCHOOL FACILITIES PROJECTS TO BE FUNDED FROM BOND PROCEEDS

As required by the California Constitution, the proceeds from the sale of the bonds will be used only for the purposes authorized under Article XIII A of the California Constitution, including construction, reconstruction, rehabilitation, or replacement of school facilities, furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, as specifically set forth in this Exhibit A, and costs incident thereto, and not for any other purpose, including salaries and other routine school operating expenses. 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 following list describes the specific projects the District proposes to finance with proceeds of the bonds. The scope of specific projects, the order of construction, and their completion is contingent on final project costs notwithstanding uncontrollable circumstances such as unforeseen cost escalation and/or market conditions, and the availability of needed funds including but not limited to State school facilities funding. Further, projects on the project list are of the type that issuing the authorized general obligation bonds as stated will not cause the State to reduce any financial hardship contribution that would otherwise be available to the District had these bonds not been authorized, issued, and or expended for their stated purpose.

These projects may include participation in the State Facility Program's Joint-Use Program to gain matching funds for teacher education, multi-purpose rooms, gymnasiums, libraries, childcare, and other qualifying Joint-Use facilities. With respect to such joint-use projects, the bond funds authorized by this Measure may be used to pay all of the local share needed to qualify the projects for special State matching funds under the State Facility Program's Joint-Use Program requirements.

PROJECT LIST

Bond proceeds will be expended on the renovation, upgrade, expansion, acquisition, construction, reconstruction, rehabilitation, and/or replacement of school facilities of the Elk Grove Unified School District in order to provide 21st century learning environments, located or to be located in the Elk Grove Unified School District, including at the following schools, support sites and properties:

Elementary Schools (In Order of Age)

Pleasant Grove	1950	Barbara Comstock Morse	1995
Florin	1953	Maeola R. Beitzel	1996
Franklin	1955	Elitha Donner	1997
Sierra Enterprise	1955	Arthur C. Butler	1998
Anna Kirchgater	1956	Joseph Sims	1999
Samuel Kennedy	1963	Raymond Case	2000
James A. McKee	1963	Stone Lake	2000
David Reese	1965	Irene B. West	2002
Charles E. Mack	1966	Robert J. Fite	2002
Herman Leimbach	1972	Elliott Ranch	2002
Florence Markofer	1980	Edna Batey	2003
Ellen Feickert	1981	Arlene Hein	2004
Prairie	1981	Roy Herburger	2004
Union House	1988	Arnold Adreani	2005
Isabelle Jackson	1988	Helen Castello	2005
John Reith	1989	Carroll	2006
John Ehrhardt	1991	Sunrise	2007
Mary Tsukamoto	1992	Cosumnes River	2009
Elk Grove	1993	C.W. Dillard	2015
Foulks Ranch	1993	Marion Mix	2015

Middle Schools (In Order of Age)

Joseph Kerr	1935	Toby Johnson	2002
James Rutter	1966	Edward Harris, Jr.	2004
Samuel Jackman	1991	Katherine L. Albiani	2005
Harriet G. Eddy	1994	Elizabeth Pinkerton	2008
T.R. Smedberg	1997		

High Schools (In Order of Age)

Elk Grove	1964	Franklin	2002
Valley	1977	Monterey Trail	2004
Florin	1989	Pleasant Grove	2005
Laguna Creek	1994	Cosumnes Oaks	2008
Sheldon	1997		

Alternative Education Schools (In Order of Age)

William Daylor	1958	Las Flores	1988
Jessie Baker	1964	Virtual Academy	1988
Adult & Community Ed.	1970	Calvine	1991
Rio Cazadero	1978	Elk Grove Charter School	2009

District Support Sites

Grounds Department	Student Support Center	Robert L. Trigg Education Center
8800 Elk Grove Blvd.	8431 Gerber Road	and Annexes
Elk Grove, CA 95624	Sacramento, CA 95828	9510 Elk Grove-Florin Road
		Elk Grove, CA 95624

The Board of Education hereby certifies that it has evaluated the safety, class-size reduction, and information technology needs of the District in developing this list of school facilities projects.

PROJECT SCOPE

The project scope summarized on the following list represents the description of improvements to be financed with bond proceeds. The specific examples included on this list are not intended to limit the generality of the broader types of projects described and authorized by this measure. The types of projects authorized are:

- Modernize, renovate, reconstruct, repair and/or upgrade classrooms, aging science labs, buildings, and equipment to provide 21st century learning environments in order to meet current and future standards and support academic and career pathways necessary to prepare students to compete in a global economy;
- Construction, expansion, replacement or repair, with respect to roofing, heating and air conditioning systems, storm and water drainage systems, security systems, plumbing, insulation, electrical systems and wiring, safety and security, and lighting systems to ensure the health and safety of students;
- Improve student safety and security by constructing, expanding, replacing and/or repairing intrusion systems, lighting, fencing, gates, communications systems, cameras, surveillance systems, and classroom door locks;

- Construct, reconstruct, repair, renovate and/or expand classrooms and existing facilities to accommodate new or expanded academies, including career technical education and college and career pathways;
- Upgrade technology infrastructure and electrical service capacity and distribution, to relieve overloaded electrical systems and to improve instructional technology in the classroom for improved student learning, including new and maintained data and communications equipment and improvements; upgraded electrical capacity and technology infrastructure including fiber-optics and wireless internet access, improved telephone, data, video, and communications systems;
- Create and equip quality classrooms, labs, libraries and community-use areas equally across district schools;
- Reconstruct, repair, renovate, and/or expand deteriorating restrooms;
- Upgrade fire alarm systems, including fire safety equipment and sprinklers to ensure student safety;
- Make school site safety improvements to include repairing or replacing sidewalks, concrete and asphalt surfaces, including parking areas, service areas, and pick-up and drop-off areas, as well as core campus areas such as quads and hard courts;
- Build, renovate and equip special education facilities to ensure that students' unique academic, social or physical needs can be met;
- Upgrade accessibility to comply with the Americans with Disabilities Act;
- Install energy efficient systems including but not limited to dual-pane windows, cool roofs, LED lighting, efficient heating and air conditioning systems, solar tube skylights and other natural daylighting systems, and potentially photovoltaic panels (in the event they are deemed economically viable in our utility service region) in order to reduce costs and protect the quality of instruction in core subjects like reading, math, science, and technology;
- Make health and safety renovations to include the removal and/or mitigation of hazardous materials;
- Modernize, renovate, reconstruct, repair or replace portable classrooms with permanent classrooms;
- Improve access to schools by parents, visitors, and the community;
- Make interior and exterior improvements including upgrades to infrastructure and major building systems; replace water, sewer, plumbing, irrigation systems; repaint facilities; renovate and improve athletic fields/facilities, playfields landscaped areas, and community-use areas; and
- Construct facilities that qualify for State funds, as a joint-use-project potentially with the City of Elk Grove, City of Rancho Cordova, City of Sacramento, County of Sacramento, Cosumnes Community Services District, Los Rios Community College District, California State University, University of California, or other eligible agencies or non-profit agencies for joint-use school facilities.
- The construction of new schools, classrooms and support sites to include new land acquisition, necessary furnishings, equipment, technology, and installation of site infrastructure, as needed to accommodate continued growth in student population and provide additional learning facilities for an anticipated minimum 14,000 additional students, including career technical educational facilities.

If it is established that relocation and/or reconstruction is a fiscally prudent and/or more practical approach than a modernization or renovation of an existing facility or campus, this bond measure authorizes land acquisition, relocation and reconstruction, and all costs relating thereto, for said reasons deemed in the best interest of the District by the Board of Education.

The order in which school facilities projects are listed above does not suggest an order of priority. Project priorities will be determined by the Board of Education. Approval of the bond measure does not guarantee that all of the identified projects within this Bond Project List will be funded due to the unpredictable nature of construction costs and other unknown future factors. Completion of all projects may be subject to consistent State funding, appropriate developer mitigation, remaining Community Facilities District revenues, and other sources included but not limited to those types and amounts identified in the 2015 Facilities Master Plan. The issuance of bonds pursuant to this measure depends in part on market conditions as well as the assessed valuation of properties in the District.

The Board of Education hereby certifies that it has evaluated the safety, class-size reduction, and information technology needs of the District in developing this list of school facilities projects.

ACCOUNTABILITY MEASURES

If the bonds are approved, the Board of Education will implement the following accountability measures in accordance with State law:

- (a) Use the bond proceeds only for the purposes authorized under Article XIII A of the California Constitution, including construction, reconstruction, rehabilitation, or replacement of school facilities, furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities and related uses, as specifically set forth in this Exhibit A, and costs incident thereto, and not for any other purpose, including salaries and other routine school operating expenses;
- (b) Conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the projects and uses listed in this Exhibit A;
- (c) Conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended for school facilities projects and uses listed in this Exhibit A; and
- (d) Establish and appoint members to an independent citizens' oversight committee to ensure the bonds are used only for the projects and uses listed in this Exhibit A.

STATE MATCHING FUNDS

California Education Code section 15122.5 requires the following statement to be included in this sample ballot:

“Approval of this bond measure does not guarantee that the proposed projects in the Elk Grove Unified School District that are the subject of bonds under this measure will be funded beyond the local revenues generated by this bond measure. The school district's proposal for certain of the projects assumes the receipt of matching state funds, which are subject to appropriation by the Legislature or approval of a statewide bond measure.”

ANNUAL TAX AMOUNT, RATE, AND DURATION

The bonds shall bear interest at an annual rate not exceeding the statutory maximum. The maturity of the bonds shall not exceed the maximum term allowed by law at the time of issuance (currently 25 years if issued under Education Code section 15140, or 40 years if issued under Government Code section 53508, so long as the bonds are not capital appreciation bonds (“CABs,” which CABs are limited to 25 years)). Accordingly, as further set forth in the tax rate statement, the *ad valorem* tax will be levied at such rates and for so long as may be required to meet the debt service needs of the bonds proposed to be issued, including such bonds that may be issued to refund any approved bonds.

EXHIBIT B

**BOND MEASURE
for
ELK GROVE UNIFIED SCHOOL DISTRICT**

(Abbreviated Form)*

<p>“To repair and modernize classrooms, fix deteriorating roofs, plumbing, and HVAC systems, improve student safety and campus security, construct and upgrade additional classrooms, labs, career technical education facilities and instructional technology to support student achievement in math, science, arts and skilled trades and keep up with growth and relieve overcrowding shall the Elk Grove Unified School District issue \$476,000,000 in bonds to be spent only on specified projects, with independent citizen oversight and no money for administrator salaries?”</p>	<p>BONDS – YES</p>
	<p>BONDS – NO</p>

* Limited to 75 words pursuant to California Elections Code section 13247.

EXHIBIT C

FORMAL NOTICE OF SCHOOL BOND ELECTION

NOTICE IS HEREBY GIVEN to the qualified electors of the Elk Grove Unified School District of Sacramento County, California, that in accordance with the provisions of the Education Code of the State of California, an election will be held on November 8, 2016 within the District, at which election the following measure shall be submitted to the qualified electors of the District and voted upon:

“To repair and modernize classrooms, fix deteriorating roofs, plumbing, and HVAC systems, improve student safety and campus security, construct and upgrade additional classrooms, labs, career technical education facilities and instructional technology to support student achievement in math, science, arts and skilled trades and keep up with growth and relieve overcrowding shall the Elk Grove Unified School District issue \$476,000,000 in bonds to be spent only on specified projects, with independent citizen oversight and no money for administrator salaries?”

Bonds - Yes

Bonds - No”

The bonds shall bear interest at an annual rate not exceeding the statutory maximum. The maturity of the bonds shall not exceed the maximum term allowed by law at the time of issuance (currently 25 years if issued under Education Code section 15140, or 40 years if issued under Government Code section 53508, so long as the bonds are not capital appreciation bonds (“CABs,” which CABs are limited to 25 years)). Accordingly, as further set forth in the tax rate statement, the *ad valorem* tax will be levied at such rates and for so long as may be required to meet the debt service needs of the bonds proposed to be issued, including such bonds that may be issued to refund any approved bonds.

All of the purposes enumerated in the foregoing measure shall be united and voted upon as one single measure, with precincts, places of holding the elections and officers appointed to conduct the elections to be the same as those provided for the statewide presidential general election to be held on November 8, 2016 under the Notice of Election published _____.

This election has been called pursuant to a Resolution of the Board of Education of the Elk Grove Unified School District, adopted on August 1, 2016. The Elections Official of the County of Sacramento hereby gives formal notice of the election in accordance with the provisions of Education Code Section 15120.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2016.

Registrar of Voters
Sacramento County, California