

**TO: BOARD OF EDUCATION**

**MEETING DATE: November 14, 2019**

**FROM: Ron Little**

**AGENDA ITEM: 7.4**

Staff Support: Rheia Alschbach

**SUBJECT: APPROVAL OF RESOLUTION NO. 20-2020 ENTITLED "RESOLUTION OF THE BOARD OF EDUCATION OF THE POWAY UNIFIED SCHOOL DISTRICT ORDERING A SCHOOL BOND ELECTION ON MARCH 3, 2020 AND AUTHORIZING NECESSARY ACTIONS IN CONNECTION THEREWITH"**

- Action
- Consent Calendar
- First Reading
- Information
- Presentation
- Public Hearing
- Roll Call Vote Required

**RECOMMENDATION:**

**Approve Resolution No. 20-2020 ordering a school bond election on March 3, 2020.**

**DISCUSSION/PROGRAM:**

The District plans to call a general obligation bond election under the provisions of "Proposition 39" (Cal. Const., art 13A, Section 1(b)(3)) within its boundaries for March 3, 2020, in order to provide funds for various construction, rehabilitation, modernization, and improvement projects throughout the District.

Pursuant to State law, a general obligation bond election within a school district may be called by the Board of Education pursuant to Education Code Section 15100 et seq. The Board must adopt a resolution that contains the specifications of the election order, and addresses various other matters, including the exact language of the bond measure that the voters within the District will be asked to consider and vote on. Resolution No. 20-2020 is comprised of a base resolution that directs the County Registrar of Voters to place a \$448 million bond measure on the ballot, and attaches a ballot measure summary (Exhibit A), the full ballot text of the measure (Exhibit B) and a Tax Rate Statement (Exhibit C). While the Resolution plus the exhibits together form the "contract" with local voters, only the Exhibit documents will be printed in the voter pamphlet and materials. The description of facilities projects proposed to be funded with the bond is included in Exhibit B and has been prepared and reviewed by District staff and consultants. All Proposition 39 and statutory requirements are addressed where appropriate, including the making of necessary findings and representations regarding annual audits, and the formation and appointment of a Citizens' Bond Oversight Committee (CBOC) if the measure is successful.

Resolution No. 20-2020 will be submitted to the San Diego County Registrar of Voters and will request that the bond election be consolidated with any other elections occurring on March 3, 2020, within the District's boundaries.

*Resolution No. 20-2020 is attached.*

**LEGAL REFERENCE: Education Code Sections 5300 et seq.; 15100 et seq.; Cal. Const. art. 13A.**

**FISCAL IMPACT: A maximum of \$448,000,000 to be raised by voter approved bonds.**

**MOVED BY: \_\_\_\_\_ SECONDED BY: \_\_\_\_\_**

**VOTE: BEATTY \_\_\_\_\_ COUVRETTE \_\_\_\_\_ O'CONNOR-RATCLIFF \_\_\_\_\_ PATEL \_\_\_\_\_ ZANE \_\_\_\_\_** **STUDENT PREFERENTIAL VOTE: AKINS \_\_\_\_\_**

**RESOLUTION #20-2020**

**RESOLUTION OF THE BOARD OF EDUCATION OF THE POWAY UNIFIED SCHOOL DISTRICT ORDERING A SCHOOL BOND ELECTION ON MARCH 3, 2020 AND AUTHORIZING NECESSARY ACTIONS IN CONNECTION THEREWITH**

**ON MOTION** of Member \_\_\_\_\_, seconded by Member \_\_\_\_\_, the following Resolution is adopted:

**WHEREAS**, Poway Unified School District ("District") is committed to providing a quality education to local students and preparing them to succeed in today's competitive economy; and

**WHEREAS**, whether local students are planning to go on to college or directly into the workforce, they need skills to use today's technologies and a solid background in science, math and technology so they can excel in college and well-paying jobs; and

**WHEREAS**, many of our schools are 30-45 years old and deteriorating, and even schools 20 years old require upgrades; and

**WHEREAS**, removing or replacing aging portable classrooms that are expensive to repair and maintain with the right number of safe, modern classrooms needed for students is a high priority for the District; and

**WHEREAS**, it is time to make essential repairs and improvements so our schools can continue to serve our community well for decades to come; and

**WHEREAS**, the District is conducting a thorough Facilities Master Planning process with input from parents, teachers, staff, students, principals and members of the community to identify the upgrades needed at each school site in order to meet basic safety and accessibility standards, to continue supporting academic achievement, and to address specific priorities at individual school sites; and

**WHEREAS**, the District believes that completing the identified upgrades like repair or replacing deteriorating roofs, plumbing, sewer lines and electrical systems where needed will enable the District to ensure that all local students receive instruction in 21<sup>st</sup> century classrooms, labs, technology and school facilities that support modern curriculum, provide a well-rounded education, and give students the skills they need for college and the competitive global economy; and

**WHEREAS**, the District recognizes the need to transform classrooms, labs, instructional technology and educational facilities to support engaging, hands-on learning experiences in subjects including science, engineering and math; and

**WHEREAS**, making schools more energy efficient and reducing the use of electricity, water and other resources will improve environmental sustainability and reduce utility bills, thereby creating savings that can be used to protect the quality of core academic classroom programs like math, science, reading and writing; and

**WHEREAS**, the cost of identified upgrades and improvements is beyond the scope of the District's current operating budget and passing this bond measure provides a guaranteed source of local funding to maintain and improve this community's local school facilities; and

**WHEREAS**, a bond measure will benefit local schools and no funds can be taken away by the State or other school districts, and by law, no money can be used for teacher and administrator salaries and other school operating expenses, including raises or pensions; and

**WHEREAS**, a bond measure would qualify our schools for millions in state matching funds that would otherwise go to other school districts; and

**WHEREAS**, a bond measure requires strict fiscal accountability protections including mandatory annual audits and an independent citizens' bond oversight committee comprised of local residents to ensure funds are managed and spent properly; and

**WHEREAS**, the Board of Education ("Board") is authorized to order elections within the District and to designate the specifications thereof, pursuant to Sections 5304 and 5322 of the California Education Code ("Education Code"); and

**WHEREAS**, the Board is specifically authorized to order elections for the purpose of submitting to the electors the question of whether bonds of the District shall be issued and sold for the purpose of raising money for the purposes hereinafter specified, pursuant to Section 15100 *et seq.* of the Education Code; and

**WHEREAS**, pursuant to section 18 of Article XVI and section 1 of Article XIII A of the California Constitution (also known as "Proposition 39"), and Section 15266 of the Education Code, school districts may seek approval of general obligation bonds and levy an *ad valorem* tax to repay those bonds upon a fifty-five percent (55%) vote of those voting on a proposition for that purpose, provided certain accountability measures are included in the proposition; and

**WHEREAS**, the Board deems it necessary and advisable to submit such a bond proposition to the electors to be approved by fifty-five percent (55%) of the votes cast; and

**WHEREAS**, such a bond election must be conducted concurrent with a statewide primary election, general election or special election, or at a regularly scheduled local election, as required by Section 15266 of the Education Code, and on March 3, 2020, a general election is scheduled to occur throughout the District; and

**WHEREAS**, pursuant to Section 15270 of the Education Code, if the proposition is approved by the voters, bonds may only be issued if the tax rate levied to meet the debt service requirements would not exceed statutory maximum dollar amounts per year per one hundred thousand dollars (\$100,000) of assessed value of taxable property, when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution, and the current estimated and projected tax rate is well below said limits, as described in the Tax Rate Statement contained in Exhibit C hereto; and

**WHEREAS**, pursuant to Section 15144.1 of the Education Code, the ratio of total debt service to principal for each bond series may not exceed four to one (4:1), but the District shall impose a limit on said ratio of two and a half to one (2.5:1) and intends to stay well below said limit; and

WHEREAS, no bonds from the proposed measure shall be issued as capital appreciation bonds or convertible capital appreciation bonds; and

WHEREAS, Section 9400 *et seq.* of the California 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, in the judgment of the Board, it is advisable to request that the San Diego County Registrar of Voters ("County Registrar") act as the election official and call an election and submit to the registered voters of the District the full ballot proposition as detailed below, in coordination with each other as necessary; 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.

NOW, THEREFORE, BE IT RESOLVED, determined and ordered by the Board of Education of the Poway Unified School District as follows:

*Section 1. Specifications of Election Order.* Pursuant to Sections 5304, 5322, 15100 *et seq.*, and Section 15266 of the Education Code, an election shall be held within the District on March 3, 2020, for the purpose of submitting to the registered voters of the District the full ballot proposition contained in Exhibit B ("Full Ballot Text"), which Full Ballot Text is hereby approved. The County Registrar shall provide for the performance of its duties in accordance with Education Code section 5303.

*Section 2. Abbreviation of Proposition/Ballot Label.* Pursuant to Sections 13119 and 13247 of the California Elections Code and Section 15122 of the Education Code, the Board hereby directs the County Registrar to use the abbreviation of the Full Ballot Text ("Ballot Label") that is selected by the Superintendent of the District and filed herewith as Exhibit A. The Ballot Label shall function merely as an abbreviation of the Full Ballot Text and does not stand alone as a complete and binding statement of the proposition, nor is it possible for the Ballot Label to contain all of the project and financial information a voter might wish to consider in casting a vote. Voters are urged to review the Full Ballot Text and the Tax Rate Statement to obtain a complete understanding of the proposition, including all of the financial projections and estimates upon which the proposition is based.

*Section 3. Voter Pamphlet.* The County Registrar is hereby requested to reprint the Full Ballot Text in its entirety in the voter information pamphlet to be distributed to voters pursuant to Section 13307 of the Elections Code. In the event the Full Ballot Text is not reprinted in the voter information pamphlet in its entirety, the County Registrar is hereby requested to print, immediately below the impartial analysis of the bond proposition, in no less than 10-point boldface type, a legend substantially as follows:

"The above statement is an impartial analysis of Measure \_\_\_\_.  
If you desire a copy of the measure, please call the San Diego  
County Registrar of Voters at \_\_\_\_\_ and a copy will be  
mailed at no cost to you."

*Section 4. Accountability Measures.* Pursuant to legal requirements, and as specified in the Full Ballot Text, the Board certifies that the District:

- (a) Has evaluated the facilities needs of the District and has evaluated safety, class size reduction (including enrollment trends and classroom capacity) and information technology needs, among other needs, in developing the Bond Project List contained in the Full Ballot Text;

- (b) Will establish an independent Citizens' Bond Oversight Committee to ensure that bond proceeds are expended only for the school facilities projects described in the Bond Project List, in accordance with Education Code section 15278 *et seq.* and board resolutions, policies and procedures;
- (c) Will conduct or cause to be conducted an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects described in the Bond Project List;
- (d) Will conduct or cause to be conducted an annual independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects described in the Bond Project List; and
- (e) Shall take all actions to establish an account in which proceeds of the sale of the bonds will be deposited, and to cause a report to be filed with the Board no later than each January 1 identifying proceeds received and expended in the past fiscal year and the status of any project funded or to be funded with bond proceeds. The first report shall be due no later than January 1 of the first year after which bonds have been issued and some proceeds spent.

*Section 5. Required Vote.* Pursuant to Section 18 of Article XVI and Section 1 of Article XIII A of the State Constitution, the above proposition shall become effective upon the affirmative vote of at least fifty-five percent (55%) of those voters voting on the proposition.

*Section 6. Request to County Officers to Conduct Election/Cost of Election.* The County Registrar is hereby requested, pursuant to section 5322 of the California Education Code, to take all steps to call and hold the election in accordance with law and these specifications. The District will reimburse the Registrar and the County for costs associated with the election as required by law.

*Section 7. Consolidation of Election and Canvass of Vote.*

(a) Pursuant to Section 15266(a) of the Education Code, the election shall be consolidated with the election on March 3, 2020.

(b) The Board of Supervisors of San Diego County is authorized and requested to canvass the returns of the election, as necessary, pursuant to Section 10411 of the California Elections Code.

*Section 8. Delivery of Order of Election to County Officers.* The Clerk of the Board is hereby directed to deliver or cause to be delivered, no later than December 6, 2019, (which date is 88 days prior to the date set for the election), one copy of this Resolution to the County Registrar with the completed Tax Rate Statement (in substantially the form attached hereto as **Exhibit C**), completed and signed by the Superintendent or her designee, and shall file a copy of this Resolution with the Clerk of the Board of Supervisors of San Diego County.

*Section 9. Ballot Arguments.* The members of the Board are hereby authorized to prepare and file with the County Registrar a ballot argument or rebuttal argument in favor of the proposition, within the time established by the County Registrar.

*Section 10. Intention to Reimburse.* The District may incur costs associated with bond-funded projects described in **Exhibit B** hereto prior to the issuance of bonds. For purposes of establishing compliance with the requirements of Section 1.150-2 of the

regulations of the U.S. Treasury Department, the Board hereby declares its official intent to use proceeds of the bond to reimburse itself for lawful expenditures on capital projects described on the Bond Project List, up to a maximum principal amount of \$448 million.

*Section 11. Further Authorization.* The members of this Board, the Superintendent, and the Associate Superintendent, Business Services of the District (each, a "District Representative") are hereby authorized and directed, individually and collectively, to do any and all things that they deem necessary or advisable in order to effectuate the purposes of this Resolution, including non-substantive modification of the Full Ballot Text, the Ballot Label, and Tax Rate Statement if he or she determines such modifications are necessary and in the District's best interests. This Resolution and all of its Exhibits that are filed with the County Registrar by a District Representative shall constitute the final, binding ballot proposition of the District and such submitted proposition shall be deemed ratified and approved by the Board.

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

PASSED AND ADOPTED this day, November 14, 2019, by the following vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

APPROVED:

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President of the Board of Education of  
the Poway Unified School District

Attest:

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Clerk of the Board of Education of the  
Poway Unified School District

**EXHIBIT A**

**BALLOT LABEL**

To improve classrooms, science labs, and career-training facilities that support college preparation/career readiness in math, science, engineering, technology, arts, and skilled trades/vocations, improve student safety/security, remove asbestos/lead paint where needed, and repair aging roofs, plumbing, and electrical, shall the Poway Unified School District measure authorizing \$448,000,000 in bonds at legal rates be adopted, levying approximately 3 cents/\$100 assessed value (\$23,100,000 annually) while bonds are outstanding, with citizen oversight/all funds under local control?

Bonds—YES \_\_\_\_\_

Bonds – NO \_\_\_\_\_

## EXHIBIT "B"

### POWAY UNIFIED SCHOOL DISTRICT BOND PROPOSITION FULL BALLOT TEXT

By approval of this proposition by at least fifty-five percent (55%) of the registered voters voting thereon, the Poway Unified School District shall be authorized to issue and sell bonds of up to \$448 million in aggregate principal amount to provide financing for the specific school facilities projects listed below in the Bond Project List, subject to all of the accountability safeguards specified herein.

#### SECTION I: KEY FINDINGS

- The Poway Unified School District is committed to continuing a strong, high-quality educational program and preparing our students to succeed in today's competitive economy; and
- Whether local students are planning to go on to college or directly into the workforce, they are provided with the skills they need to use today's technologies and have a solid background in science, math and technology so they can excel in college and well-paying jobs; and
- Many of our schools are 30-45 years old and deteriorating, and even schools 20 years old require upgrades; and
- It is time to make essential repairs and improvement so our schools can continue to serve our community well for decades to come; and
- The District is conducting a thorough Facilities Master Planning process with input from parents, teachers, staff, students, principals and members of the community to identify the upgrades needed at each school site in order to meet basic safety and accessibility standards, to continue supporting academic achievement, and to address specific priorities at individual school sites; and
- The District believes that completing the identified upgrades will enable the District to ensure that all local students receive instruction in 21<sup>st</sup> century classrooms, labs and school facilities that support modern curriculum, provide a well-rounded education, and give students with the skills they need for college and the competitive global economy; and
- The District recognizes the need to upgrade classrooms, labs, instructional technology and educational facilities to support engaging, hands-on learning experiences in subjects including science, engineering and math; and
- This bond proposition will benefit local schools and no funds can be taken away by the State or other school districts, and by law, no money can be used for teacher and administrator salaries and other school operating expenses, including raises or pensions; and
- The District shall not issue any bonds as capital appreciation bonds or convertible capital appreciation bonds, and all bonds issued will be well under maximum statutory ratios of total debt service to principal for each bond series; and



- This bond measure requires strict fiscal accountability protections including mandatory annual audits and an independent citizens' bond oversight committee comprised of local residents to ensure funds are managed and spent properly.

## SECTION II: ACCOUNTABILITY MEASURES

The provisions in this section are included in this proposition in order that the voters and taxpayers of the District may be assured that their money will be spent to address specific facilities needs of the District, all in compliance with the requirements of Article XIII A, section 1(b)(3) of the State Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Section 15264 *et seq.* of the California Education Code).

***Evaluation of Needs.*** The Board of Education has evaluated the facilities needs of the District, and has identified projects to finance from a local bond measure at this time. The Board of Trustees hereby certifies that it has evaluated safety, class size reduction (including enrollment trends and classroom capacity) and information technology needs, in addition to other needs, in developing the Bond Project List.

***Independent Citizens' Bond Oversight Committee.*** The Board of Education shall establish an independent Citizens' Bond Oversight Committee in accordance with Education Code sections 15278-15282 and applicable Board resolutions and policies, to ensure bond proceeds are expended only for the school facilities projects listed in the Bond Project List. The committee shall be established within sixty (60) days of the date when the Board of Education enters the results of the election in its official minutes.

***Annual Performance Audit.*** The Board of Education shall conduct or cause to be conducted an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects described in the Bond Project List.

***Annual Financial Audit.*** The Board of Education shall conduct or cause to be conducted an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects described in the Bond Project List.

***Annual Report to Board.*** Upon approval of this measure and the sale of any bonds approved, the Board of Education shall take actions necessary to establish an account in which proceeds of the sale of bonds will be deposited. As long as any proceeds of the bonds remain unexpended, the Superintendent shall cause a report to be filed with the Board of Education no later than January 1 of each year, commencing on the first January 1 after bonds have been issued and some proceeds spent, stating (1) the amount of bond proceeds received and expended in the past fiscal year, and (2) the status of any project funded or to be funded from bond proceeds. The report may be incorporated into the annual budget, annual financial report, or other appropriate routine report to the Board.

## SECTION III: BOND PROJECT LIST

This Bond Project List, which is an integral part of this proposition, describes the specific projects the District proposes to finance with proceeds of the bonds. All information contained within this "Section III: Bond Project List" comprises the list and description of permissible projects and expenses that may be paid from bond proceeds, and where such projects may be or are intended to be completed.

Proceeds from the sale of bonds authorized by this measure shall be used only for the construction, reconstruction, rehabilitation, replacement, furnishing and equipping of

school facilities on the Bond Project List, which is organized as shown below by project categories. Projects to be completed are of various classifications, including new/replacement construction (“N/RC”), modernization of existing facilities (“M”), increasing capacity (“I”) and updates to facilities to meet code compliance or safety requirements (“U”). Each project is marked to indicate the classification(s) it meets. The classification(s) information is provided solely for informational purposes and shall not be deemed to limit or restrict the particular project listed.

In order to meet all identified facility needs, the District intends to complete projects using a combination of funding sources, including developer fees, Mello-Roos special tax proceeds and state funding (if available). In order to maximize community benefit and efficiently apply taxpayer dollars, the District will make a good faith effort to pursue practical opportunities to expand community joint use facilities in every new construction project. In pursuing joint use, the District’s goal is to maximize the use of facilities by the broader community without adversely impacting District’s operations or finances. In addition, the District will pursue state matching funds if and when they become available, and if received, they will be used for and mainly applied to projects on the Bond Project List or other high priority capital outlay expenditures as permitted in Education Code section 17070.63(c).

While no specific project is dependent on the receipt of state funding for completion, approval of this measure does not guarantee that all projects on this Bond Project List at all listed sites will be funded beyond the local revenues generated by this measure. The District’s proposal for the projects assumes the receipt of some state matching funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.

Specific projects to be funded by the bond measure include, without limitation, the following (schools/sites listed in alphabetical order):

**CATEGORY A. PROJECTS TO IMPROVE STUDENT AND CAMPUS SAFETY AND SECURITY**

Projects to improve student and campus safety and security shall include the following projects, which are authorized to be completed at each, any or all of the sites listed below:

- Install fencing, gates and vehicle barriers to improve controlled access to schools (U, N/RC)
- Upgrade signage (U, N/RC)
- Upgrade, replace or install communications systems, including intercom, emergency communications and/or master clock systems (U, M, N/RC)
- Upgrade fire alarms (U, M)
- Enhance school reception areas to improve visitor management on campuses (U, M)
- Install door and window hardware, locks and/or safety treatments (U, M, N/RC)
- Install video surveillance cameras (U, N/RC)
- Upgrade playgrounds, tracks and fields (U, M)
- Install shade structures (N/RC)
- Improve, add, or upgrade school site technology and infrastructure in order to enhance network-based content and curriculum delivery and network security (I, M, N/RC)
- Abate hazardous materials such as asbestos and lead paint from older school sites (U, M)

Schools and Sites where Category A projects are planned:

<input type="checkbox"/> Abraxas High	<input type="checkbox"/> Los Penasquitos Elementary	<input type="checkbox"/> Rolling Hills Elementary
<input type="checkbox"/> Adobe Bluffs Elementary	<input type="checkbox"/> Meadowbrook Middle	<input type="checkbox"/> Shoal Creek Elementary
<input type="checkbox"/> Bernardo Heights Middle	<input type="checkbox"/> Mesa Verde Middle	<input type="checkbox"/> Stone Ranch Elementary
<input type="checkbox"/> Black Mountain Middle	<input type="checkbox"/> Midland Elementary	<input type="checkbox"/> Sundance Elementary
<input type="checkbox"/> Canyon View Elementary	<input type="checkbox"/> Monterey Ridge Elementary	<input type="checkbox"/> Sunset Hills Elementary
<input type="checkbox"/> Chaparral Elementary	<input type="checkbox"/> Morning Creek Elementary	<input type="checkbox"/> Tierra Bonita Elementary
<input type="checkbox"/> Creekside Elementary	<input type="checkbox"/> Mt. Carmel High	<input type="checkbox"/> Turtleback Elementary
<input type="checkbox"/> Deer Canyon Elementary	<input type="checkbox"/> Oak Valley Middle	<input type="checkbox"/> Twin Peaks Middle
<input type="checkbox"/> Del Norte High	<input type="checkbox"/> Painted Rock Elementary	<input type="checkbox"/> Valley Elementary
<input type="checkbox"/> Del Sur Elementary	<input type="checkbox"/> Park Village Elementary	<input type="checkbox"/> Westview High
<input type="checkbox"/> Design 39 Campus	<input type="checkbox"/> Pomerado Elementary	<input type="checkbox"/> Westwood Elementary
<input type="checkbox"/> Garden Road Elementary	<input type="checkbox"/> Poway High	<input type="checkbox"/> Willow Grove Elementary
<input type="checkbox"/> Highland Ranch Elementary	<input type="checkbox"/> Rancho Bernardo High	

**CATEGORY B: PROJECTS TO MODERNIZE AND IMPROVE BUILDING FUNCTIONS AND SYSTEMS**

Projects to modernize and improve building functions and systems include the following projects, which are authorized to be completed at each, any or all of the sites listed below:

- Repair/replace heating, ventilation & air conditioning (HVAC) systems (M, N/RC)
- Replace or repair roofs (M, N/RC)
- Renovate school or classroom interiors, including fixtures, flooring, paint, ceilings and lighting (M, N/RC)
- Upgrade school or site exteriors, including walls, paint, lighting, windows and doors (M, N/RC)
- Upgrade electrical infrastructure (U, M)
- Upgrade utility/sewer/water/gas lines and plumbing infrastructure (U, M)
- Upgrade restrooms (U, M, I)
- Perform Americans with Disabilities Act (ADA) compliance upgrades (U, M, N/RC)
- Renovate multipurpose rooms, gymnasiums, and performing arts classrooms/facilities (U, M, N/RC)

Schools and Sites where Category B projects are planned:

<input type="checkbox"/> Abraxas High	<input type="checkbox"/> Highland Ranch Elementary	<input type="checkbox"/> Rolling Hills Elementary
<input type="checkbox"/> Adobe Bluffs Elementary	<input type="checkbox"/> Los Penasquitos Elementary	<input type="checkbox"/> Shoal Creek Elementary
<input type="checkbox"/> Bernardo Heights Middle	<input type="checkbox"/> Meadowbrook Middle	<input type="checkbox"/> Sunset Hills Elementary
<input type="checkbox"/> Black Mountain Middle	<input type="checkbox"/> Mesa Verde Middle	<input type="checkbox"/> Tierra Bonita Elementary
<input type="checkbox"/> Canyon View Elementary	<input type="checkbox"/> Mt. Carmel High	<input type="checkbox"/> Turtleback Elementary
<input type="checkbox"/> Chaparral Elementary	<input type="checkbox"/> Painted Rock Elementary	<input type="checkbox"/> Twin Peaks Middle
<input type="checkbox"/> Creekside Elementary	<input type="checkbox"/> Park Village Elementary	<input type="checkbox"/> Valley Elementary
<input type="checkbox"/> Deer Canyon Elementary	<input type="checkbox"/> Poway High	<input type="checkbox"/> Westview High
<input type="checkbox"/> Garden Road Elementary	<input type="checkbox"/> Rancho Bernardo High	

**CATEGORY C: PROJECTS TO CREATE FUTURE-FOCUSED LEARNING ENVIRONMENTS TO SUPPORT SCIENCE, TECHNOLOGY, ENGINEERING AND MATH CURRICULUM AND CAREER/TECHNICAL EDUCATION TRAINING OPPORTUNITIES AND OPERATIONAL SUPPORT LOCATIONS**

Projects to create future-focused learning environments to support science, technology, engineering and math curriculum and career/technical education training opportunities include the following projects, which are authorized to be completed at each, any or all of the sites listed below:

- Reconfigure libraries and other spaces to include innovation/collaboration space (M, N/RC)
- Create or construct, furnish and equip additional and/or dedicated career technical education classrooms, labs and learning spaces, buildings or campuses (M, N/RC, I)
- Enhance and/or expand special education classrooms and space (U, M, N/RC)
- Create or construct additional student support offices and spaces (N/RC, I, M)
- Improve, add, or upgrade school site technology and infrastructure in order to enhance network-based content and curriculum delivery and network security (U, M, N/RC)

Schools and Sites where Category C projects are planned:

- |                              |                            |                            |
|------------------------------|----------------------------|----------------------------|
| Ø Adobe Bluffs Elementary    | Ø Meadowbrook Middle       | Ø Rolling Hills Elementary |
| Ø Bernardo Heights Middle    | Ø Mesa Verde Middle        | Ø Sundance Elementary      |
| Ø Black Mountain Middle      | Ø Midland Elementary       | Ø Sunset Hills Elementary  |
| Ø Canyon View Elementary     | Ø Morning Creek Elementary | Ø Tierra Bonita Elementary |
| Ø Chaparral Elementary       | Ø Mt. Carmel High          | Ø Turtleback Elementary    |
| Ø Creekside Elementary       | Ø Painted Rock Elementary  | Ø Twin Peaks Middle        |
| Ø Deer Canyon Elementary     | Ø Pomerado Elementary      | Ø Valley Elementary        |
| Ø Garden Road Elementary     | Ø Poway High               | Ø Westview High            |
| Ø Highland Ranch Elementary  | Ø Rancho Bernardo High     | Ø Westwood Elementary      |
| Ø Los Penasquitos Elementary |                            |                            |

**CATEGORY D: PROJECTS TO SUPPORT GROWTH AND CHANGING PROGRAMMATIC NEEDS**

Projects to support growth and changing programmatic needs include the following projects, with are authorized to be completed at each, any or all of the sites listed below:

- Add, furnish and equip classrooms, labs and other learning spaces, to support student growth (I, N/RC)
- Renovate classroom space to meet state and local code and regulatory requirements (U, M, I, N/RC)
- Remove or demolish aging portable classrooms (M)
- Replace aging portable classrooms with new permanent, modular or portable classrooms (I, M, N/RC)
- Acquire and upgrade joint use performing arts building located on District property (I, M, N/RC)
- Upgrade and/or construct transportation and maintenance yards (U, M, I, N/RC)

Schools and Sites where Category D projects are planned:

Ø Abraxas High	Ø Los Penasquitos Elementary	Ø Shoal Creek Elementary
Ø Adobe Bluffs Elementary	Ø Meadowbrook Middle	Ø Sunset Hills Elementary
Ø Bernardo Heights Middle	Ø Monterey Ridge Elementary	Ø Tierra Bonita Elementary
Ø Black Mountain Middle	Ø Morning Creek Elementary	Ø Turtleback Elementary
Ø Canyon View Elementary	Ø Mt. Carmel High	Ø Twin Peaks Center
Ø Chaparral Elementary	Ø Painted Rock Elementary	Ø Twin Peaks Middle
Ø Creekside Elementary	Ø Pomerado Elementary	Ø Valley Elementary
Ø Deer Canyon Elementary	Ø Poway High	Ø Westview High
Ø Del Norte High	Ø Rancho Bernardo High	Ø Willow Grove Elementary
Ø Del Sur Elementary	Ø Rolling Hills Elementary	

**CATEGORY E: PROJECTS TO INSTALL ENERGY EFFICIENT AND SUSTAINABLE SYSTEMS**

Projects to install energy efficient and sustainable energy systems include the following projects, which are authorized to be completed at each, any or all of the sites listed below.

- Add drought-tolerant landscaping (M, N/RC)
- Upgrade lights to LED lighting (M, N/RC)
- Install lighting controls (M, N/RC)
- Add/install solar systems and battery storage systems (M, N/RC)

Schools and Sites where Category E projects are planned:

Ø Abraxas High	Ø Highland Ranch Elementary	Ø Rolling Hills Elementary
Ø Adobe Bluffs Elementary	Ø Los Penasquitos Elementary	Ø Shoal Creek Elementary
Ø Bernardo Heights Middle	Ø Meadowbrook Middle	Ø Sunset Hills Elementary
Ø Black Mountain Middle	Ø Mesa Verde Middle	Ø Tierra Bonita Elementary
Ø Canyon View Elementary	Ø Mt. Carmel High	Ø Turtleback Elementary
Ø Chaparral Elementary	Ø Painted Rock Elementary	Ø Twin Peaks Middle
Ø Creekside Elementary	Ø Park Village Elementary	Ø Valley Elementary
Ø Deer Canyon Elementary	Ø Poway High	Ø Westview High
Ø Garden Road Elementary	Ø Rancho Bernardo High	

Projects are intended to be performed at the specific sites listed for each Project Category; however, unforeseen events or conditions may create the need for a project to be undertaken at a site not indicated. The Board of Education may authorize the completion of listed projects at other schools, sites or buildings where the project is deemed necessary, even if such site or location is not specifically identified above.

Listed projects, repairs, improvements, rehabilitation projects and upgrades will be completed only as needed, and the listing of projects does not imply a particular prioritization among such improvements. Projects may be done in phases, based on Board of Education priorities. Decisions regarding the scope, timing, prioritization or other facets of project implementation will be made solely by the Board of Education by subsequent action. No Project Labor Agreement (PLA) is currently envisioned or required for any portion of the anticipated bond expenditures, nor will the Board of Education enter into one unless required by law. Where terms such as "renovate," "upgrade," "reconfigure" and "improve" are used in the Bond Project List, the Board of Education has the discretion to determine the best method for accomplishing the project's objective. For any listed project involving renovation or modernization of a building or the major portion of a building, the District may

proceed with new replacement construction instead (including any necessary demolition or relocation of existing structures), if the District determines that replacement and new construction is more practical than renovation, considering the building's age, condition, expected remaining life, comparative cost and other relevant factors. In addition, where feasible, projects may be completed in partnership with other agencies on a joint use basis using bond proceeds. Property, buildings and equipment on the bond project list may be acquired through lease, sale, lease-purchase, lease-leaseback or other project delivery or acquisition methods determined appropriate by the Board.

Each project is assumed to include its share of costs of bond issuance, architectural, engineering, legal and similar planning costs, construction management, bond project staff and consultants, staff development and training expenses associated with learning construction techniques and approaches and new bond-funded equipment and systems, the cost to furnish and equip projects, spaces and sites, and a customary contingency for unforeseen design and construction costs. Payment of the costs of preparation of facilities planning and project implementation studies, feasibility and assessment reviews, master planning, environmental studies, permit and inspection fees and temporary housing and relocation costs for dislocated programs or activities caused or necessitated by projects on the Bond Project List are permissible bond expenditures.

The final cost of each project will be determined as plans are finalized 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. Necessary site preparation, grading or restoration may occur in connection with acquisition of property, new construction, modernization, renovation or remodeling, or installation or removal of modular classrooms, including ingress and egress, removing, replacing or installing irrigation, utility lines, trees and landscaping, relocating fire access roads and acquiring any necessary easements, leases, licenses or rights of way to the property.

#### SECTION IV: ADDITIONAL SPECIFICATIONS

***No Administrator Salaries.*** Proceeds from the sale of Bonds authorized by this proposition shall be used only for the construction, reconstruction, rehabilitation or replacement of school facilities on the Bond Project List, including the furnishing and equipping of said school facilities, or the acquisition or lease of real property for said school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses, including raises and pensions.

***No Capital Appreciation Bonds.*** The District will not issue capital appreciation bonds or convertible appreciation bonds from this measure.

***Limit on Repayment Ratio.*** The District will not issue any series of bonds pursuant to this measure that results in a repayment ratio of total debt service to principal amount issued of more than 2.5 to 1, also expressed as no more than \$2.50 for every dollar of bonds issued, which is well below the State law of 4 to 1 per each series of bonds. The District's debt issuance plans anticipate debt service ratios below 2.5 to 1 (see Tax Rate Statement for details).

***Single Purpose.*** All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to Section 15100 of the California Education Code, and all the enumerated purposes shall constitute the specific single purpose of the bonds and proceeds of the bonds shall be spent only for such purpose.

***Other Terms of the Bonds.*** The bonds may be issued and sold in several series, and in accordance with a financing plan determined by the Board of Education pursuant to

requirements of law. Bonds will be issued only as current interest bonds. When sold, the bonds shall bear interest at an annual rate not exceeding the statutory maximum and with a maximum term not exceeding the statutory maximum, provided that the average useful life of bonds sold will not exceed one hundred twenty percent (120%) of the average life of the projects being financed or as otherwise provided by federal tax law. Bond funds may be used to reimburse the District for Bond Project list expenditures incurred prior to the election and bond issuance, in accordance with federal tax law.

Attention of all voters is directed to the fact that the financial information contained in this measure is based upon the District's projections and estimates only, which are not binding upon the District, nor are the summary estimates, if any, provided in the Ballot Label. The actual tax rates, debt service and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be determined by the District based on need for construction funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process.

In preparing this information, the District obtained reasonable and informed projections of assessed property valuations that took into consideration projections of assessed property valuations made by the County Assessor, if any, in accordance with Education Code Section 15100(c).

**EXHIBIT "C"**  
**TAX RATE STATEMENT**

An election will be held within the boundaries of Poway Unified School District ("District") on March 3, 2020 to authorize the sale of up to \$448,000,000 in bonds of the District to finance improvements to educational facilities as described in the measure. If such bonds are approved, authorized and sold, the principal and interest on the bonds will be payable only from the proceeds of *ad valorem* tax levies made upon the taxable property in the District. The following information is provided in compliance with Sections 9400 to 9404, inclusive, of the California Elections Code. Such information is based upon the best estimates and projections presently available from official sources, upon experience within the District and other demonstrable factors.

1. The best estimate from official sources of the average annual tax rate that would be required to be levied to fund this bond issue over the entire duration of the bond debt service, based on a projection of assessed valuations available at the time of filing of this statement, is 3.044 cents per \$100 of assessed valuation (\$30.44 per \$100,000 of assessed valuation). The final fiscal year in which it is anticipated that the tax will be collected is 2047-48.

2. The best estimate from official sources of the highest tax rate that would be required to be levied to fund this bond issue, based on a projection of assessed valuations available at the time of filing this statement, is 3.39 cents per \$100 of assessed valuation (\$33.90 per \$100,000 of assessed valuation) It is estimated that such rate would be levied in fiscal year 2020-21. The best estimate from official sources of the lowest tax rate that would be required to be levied to fund this bond issue, based on a projection of assessed valuations available at the time of filing this statement is 1.062 cents per \$100 of assessed valuation (\$10.62 per \$100,000 of assessed valuation). It is estimated that such rate would be levied in fiscal year 2047-48.

3. The best estimate from official sources of the total debt service, including the principal and interest that would be required to be repaid if all the bonds are issued and sold, is approximately \$650 million, considering the assumptions set forth in paragraphs (1) and (2) above. This estimate results in a debt service ratio of 1.45 to 1, which is less than the maximum ratio of 4 to 1 allowed by Education Code Section 15144.1.

Voters should note that the estimated tax rate is based on the assessed value (not market value) of taxable property on the San Diego County official tax rolls. In accordance with Education Code Section 15100, subparagraph (c), the District has obtained reasonable and informed projections of assessed property valuations that take into consideration projections (if any) of assessed property valuations made by the County Assessor. In addition, taxpayers eligible for a property tax exemption, such as the homeowner's exemption, will be taxed at a lower effective tax rate than described above. Property owners should consult their own property tax bills and tax advisors to determine their property's assessed value and any applicable tax exemptions.

The attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only, which are not binding upon the District. The actual tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be determined by the District based on need for construction funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process. Accordingly, the actual tax rate and the years in which such rates are applicable may vary from those presently estimated as stated above.

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Marian Kim-Phelps, Superintendent  
November 14, 2019



**TO: BOARD OF EDUCATION**

**MEETING DATE:** November 14, 2019

**FROM:** Ron Little

**AGENDA ITEM:** 7.5

Staff Support: Rheia Alschbach

**SUBJECT: APPROVAL OF RESOLUTION NO. 21-2020 ENTITLED,  
"RESOLUTION OF THE BOARD OF EDUCATION OF THE  
POWAY UNIFIED SCHOOL DISTRICT COMMITTING TO  
BOND MEASURE AND CAPITAL PROJECTS  
ACCOUNTABILITY AND TRANSPARENCY"**

- Action
- Consent Calendar
- First Reading
- Information
- Presentation
- Public Hearing
- Roll Call Vote  
Required

**RECOMMENDATION:**

**Approve Resolution No. 21-2020.**

**DISCUSSION/PROGRAM:**

The District plans to call a general obligation bond election under the provisions of "Proposition 39" (Cal. Const., art 13A, Section 1(b)(3)) within its boundaries for March 3, 2020, in order to provide funds for various construction, acquisition, rehabilitation, modernization, and improvement projects throughout the District.

As part of this effort, the District also desires to express its plans to meet and follow accountability guidelines and best practices published by the San Diego County Taxpayers Association for a school district bond measure and the bond-funded construction program that will follow if the election is successful.

The attached resolution expresses the District's commitment to the foregoing best practices and policies.

**LEGAL REFERENCE:** N/A

**FISCAL IMPACT:** N/A

**MOVED BY:** \_\_\_\_\_ **SECONDED BY:** \_\_\_\_\_

**VOTE:** BEATTY \_\_\_ COUVRETTE \_\_\_ O'CONNOR-RATCLIFF \_\_\_ PATEL \_\_\_ ZANE \_\_\_ **STUDENT PREFERENTIAL VOTE:** AKINS \_\_\_

RESOLUTION NO. 21-2020

RESOLUTION OF THE BOARD OF EDUCATION OF THE POWAY UNIFIED SCHOOL DISTRICT COMMITTING TO BOND MEASURE AND CAPITAL PROJECTS ACCOUNTABILITY AND TRANSPARENCY

ON MOTION of Member \_\_\_\_\_, seconded by Member \_\_\_\_\_ the following resolution is adopted:

WHEREAS, the Board of Education ("Board") of the Poway Unified School District ("District") currently is considering options to call a general obligation bond measure within the District to address critical facility improvement needs; and

WHEREAS, in advance of calling a bond measure, the Board desires to express to the public its intent to fulfill its fiduciary duties to the public in a fiscally responsible, accountable and transparent manner, with input from the local community in the process; and

WHEREAS, the San Diego County Taxpayers Association ("SDCTA") has published criteria that it believes provides the level and type of accountability that local taxpayers deserve from their public servants, including the District, and the Board is committed to meeting those criteria if an election is successful.

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Poway Unified School District as follows:

Section 1. Recitals. The above recitals are true and correct.

Section 2. Bond Measure and Capital Project Accountability Principles.

In its capacity as stewards of public funds, the Board desires to develop and implement a fiscally responsible, accountable and transparent bond measure and bond-funded construction program, and commits to conducting such a program in accordance with the following principles and actions:

(a) Justifiable Facility Needs

- 1) The District has and shall demonstrate a clear and justifiable need to build, renovate, repair and modernize facilities, as documented by the Facilities Master Plan and school site facility plans. The District's ballot measure includes a bond project list developed in collaboration with the community that describes how bond funds will be spent.
- 2) The total bond authorization amount is based upon needs and estimated costs identified in Security Assessment conducted by Guidepost Solutions, a Facility Condition Assessment prepared by Ameresco, and a Facility Master Plan being completed by PBK Architects.

(b) Sources of Capital Funding

- 1) The District shall seek additional sources of funds that may be available to support projects identified in the bond project list, including state matching funds, joint use funds, and development impact fees.
- 2) The District will actively seek opportunities for joint use of facilities, and coordination and collaboration with other local agencies regarding school facilities construction.

(c) Bond Structure

- 1) Bonds will be structured consistent with the District's approved Debt Issuance and Management Policy (BP 3470), its General Obligation Bond Policy (BP/AR 7214), and its Facility Financing Programs Policy (BP/AR 3471). Annual assessed value growth assumptions for any proposed financing will be the lesser of (i) the average of the past twenty years or (ii) 5%.
- 2) The District shall not issue bonds that allow for the compounding of interest, including, but not limited to, capital appreciation bonds or convertible capital appreciation bonds. All bonds shall be issued as current interest bonds. This commitment will be expressed in the ballot measure resolution.
- 3) Consistent with federal law, the duration of a debt issue shall be consistent with the economic or useful life of the improvement or asset that the bonds are financing. The final maturity of the debt shall be equal to or less than the useful life of the assets being financed, and the average life of the financing shall not exceed 120% of the average life of the assets being financed, as required by federal tax law.

(d) Expenditures of Bond Funds. In accordance with the California Constitution, the District shall spend bond funds solely to meet capital facility needs, and more specifically 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 (Cal. Const., art. XIII A, section 1(a).) The District shall not spend bond money on routine annual maintenance, operations, or non-capitalizable salary expenses. Bond funds will not be borrowed against for any reason.

(e) Bond Funded Construction

- 1) The District will promote fair and open competition for all capital projects funded with bond proceeds, consistent with procurement laws, Board Policies, and public works construction laws, and will treat all contractors and workers, whether union or non-union, equally in the bidding and awarding of District construction contracts. As stated in the ballot measure resolution, the District will not enter into a Project Labor Agreement for the construction of bond-funded projects unless required by law.

- 2) The District and Board will follow a ***"No Pay to Play"*** policy regarding bond-funded contracts that are procured and let after a successful bond measure, to ensure that contracting decisions are made solely on published criteria, which shall not include campaign contributions.
- 3) The Board will hereby substantially comply with the SDCTA ***School Construction and Professional Services Procurement Best Practices***, as the same may be amended over time to reflect changes in the law; provided, however that the District shall not be precluded from using project delivery and procurement methods permitted by law as long as all transparency and fiscal accountability requirements are met.

(f) ***Citizens Bond Oversight Committee.***

- 1) As required by law, the Board will appoint a CBOC. SDCTA shall be entitled to select a member of SDCTA to serve on the CBOC, assuming such appointee is available and is willing and able to meet the District's participation requirements for membership on the CBOC.
- 2) The CBOC shall meet all requirements of Education Code section 15278-15282 with regard to its membership, duties, activities and responsibilities to the public, and no employee, official, vendor, contractor or consultant of the District shall be appointed to the CBOC.
- 3) The Board hereby will hereby adopt the ***Independent Citizens' Bond Oversight Committee Best Practices*** of the SDCTA, as the same may be amended over time to reflect changes in the law. Upon passage of a bond measure, the Board shall adopt a specific policy or set of bylaws consistent with this Resolution to govern the District's relationship with the CBOC, which shall include the aforementioned best practices.

(g) ***Ongoing Training and Education.*** Members of the Board and District staff persons with responsibilities for the bond program shall pursue training and professional development programs available from reputable industry trade organizations and experts in general ethics principles and doctrines, covering techniques for managing a bond construction program, capital finance, and ethics in contracting, procurement and public service.

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**Section 3. Enactment upon Successful Election.** By no later than sixty (60) days after certifying successful passage of a general obligation bond measure, provisions of this Resolution not contained within the ballot measure or elsewhere in Board Policy will be enacted into a new Board Policy, or into existing Board Policy(ies), and adopted by the Board of Education at a regularly scheduled public meeting.

**PASSED AND ADOPTED** this day, November 14, 2019, by the following vote:

**AYES:**

**NAYS:**

**ABSTAIN:**

**ABSENT:**

**APPROVED:**

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President of the Board of Education of the  
Poway Unified School District

**Attest:**

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Clerk of the Board of Education of the  
Poway Unified School District