

RESOLUTION NO. 1137

RESOLUTION OF THE BOARD OF EDUCATION OF THE
ARCADIA UNIFIED SCHOOL DISTRICT ORDERING AN
ELECTION, AND ESTABLISHING SPECIFICATIONS OF
THE ELECTION ORDER

WHEREAS, the Board of Education (the “Board”) has determined that each school within the Arcadia Unified School District (the “District”) needs to be repaired, upgraded, improved, and better equipped and at Arcadia High School certain new classrooms and facilities need to be constructed and equipped to enable the District to improve the quality of education for the students in the District; and

WHEREAS, inasmuch as the District’s schools range in age from 40 to 100 years, the District has found it increasingly difficult to provide both state-of-the-art classrooms, libraries, science labs and computer technology as well as maintain its schools in accordance with current safety, security and earthquake codes, and

WHEREAS, over the past year, in recognition that all of the students of the District deserve the tools they need to learn and excel, the District has joined with parents, teachers, and community members to carefully evaluate the most critical facility needs at each of our schools and complete a Facilities Needs Assessment which has served as the basis of the District’s Facilities Master Plan; and

WHEREAS, notwithstanding concerted and ongoing efforts by the District to obtain sufficient facility money from the State of California (the “State”), the State has been unable to provide the District with enough money for the District to adequately maintain, construct, repair and equip our schools to provide an optimal learning environment for all students; and

WHEREAS, the District would qualify for significant State matching facility improvement funds if it was able to contribute to the cost of upgrading its schools and constructing new classrooms; and

WHEREAS, in the judgment of the Board, it is advisable to provide additional facility funding to both repair and upgrade District schools and qualify for additional State money, by means of a general obligation bond; and

WHEREAS, Proposition 46, approved by the voters of the State on June 3, 1986 (“Proposition 46”), amended Section 1(b) of Article XIII A of the California Constitution by adding a provision which exempts from the 1% of full cash value limitation, those ad valorem taxes used to pay for debt service of any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by voters voting on the proposition; and

WHEREAS, on November 7, 2000 the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act (“Proposition 39”) which, as of its effective date, reduced the voter threshold for ad valorem tax levies used to pay for debt service or bonded indebtedness to 55% of the votes cast on a 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 which are contained in Proposition 39 and the Act; and

WHEREAS, the Board hereby determines, in accordance with the opinion of the Attorney General of the State of California, that the restrictions in Proposition 39 which prohibit any bond money from being wasted or used for administrative salaries or other operating expenses of the District be strictly enforced by the Citizens' Oversight Committee; and

WHEREAS, pursuant to Education Code Section 15270, based upon a projection of assessed property valuation, the Board has determined that, if approved by voters, the tax rate levied to meet the debt service requirements of the bonds proposed to be issued will not exceed the Proposition 39 limits per year per \$100,000 of assessed valuation of taxable property; and

WHEREAS, Section 9400 *et seq.* of the Elections Code of the State of California (the "Elections Code") requires that a tax rate statement be contained in all official materials, including any ballot pamphlet prepared, sponsored or distributed by the District, relating to the election; and

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

WHEREAS, pursuant to the California Elections Code, it is appropriate for the Board to request consolidation of the election with any and all other elections to be held on Tuesday, November 7, 2006, and to request that the Los Angeles County Registrar of Voters perform certain election services for the District;

NOW THEREFORE, THE BOARD OF EDUCATION OF THE ARCADIA UNIFIED 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 Los Angeles 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 not to exceed \$218 million (the "Bonds") shall be issued and sold for the purpose of raising money for the purposes described in Exhibits "A" and "B" hereto. Both exhibits are directed to be printed in the voter pamphlet.

Section 2. That the date of the election shall be November 7, 2006.

Section 3. That the purpose of the election shall be for the voters in the District to vote on a proposition, a copy of which is attached hereto and marked Exhibit "A" and incorporated by reference herein, containing the question of whether the District shall issue the Bonds to pay for improvements to the extent permitted by such proposition. In compliance with Proposition 39 and the Act, the ballot proposition in Exhibit "A" is subject to the following requirements and determinations:

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

(b) that the Board, in establishing the projects set forth in Exhibit “B,” evaluated the safety, class size reduction, information technology needs of the District as well as importance of the projects to student academic achievement and the enhancement of the teaching capacity of our teachers;

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

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

(e) that the Board will cause the appointment of a Citizens’ Oversight Committee in compliance with Education Code Section 15278 no later than 60 days after the Board enters the election results in its minutes pursuant to Elections Code Section 15274; and

(f) that the tax levy authorized to secure the Bonds of this election shall not exceed the Proposition 39 limit 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 Sections 5322 of the Education Code.

Section 6. That the Los Angeles County Registrar of Voters and the Los Angeles County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 7, 2006 within the District.

Section 7. That the Secretary of the Board is hereby directed to send a certified copy of this Resolution to the Los Angeles County Registrar of Voters no later than August 11, 2006.

Section 8. That the maturity of any Bonds issued pursuant to Section 15264 *et seq.* of the Education Code hereto shall have a maturity not exceeding twenty-five (25) years, and Bonds issued pursuant to Section 53506 of the Government Code shall have a maturity of not exceeding forty (40) years. 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 be made by any body or official authorized by law to canvass the returns of the election, and that the Board consents to such consolidation.

Section 10. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of Los Angeles County is requested to permit the Registrar

of Voters to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse Los Angeles County, such services to include the printing of the Full Text Ballot Proposition in the voter pamphlet, the publication of a Formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code) pursuant to the terms of Section 5363 of the Education Code and Section 12112 of the Elections Code.

ADOPTED, SIGNED AND APPROVED this 8th day of August, 2006.

BOARD OF EDUCATION OF THE
ARCADIA UNIFIED SCHOOL DISTRICT

By _____
President

Attest:

Secretary

STATE OF CALIFORNIA)
)
LOS ANGELES COUNTY)

I, _____, do hereby certify that the foregoing is a true and correct copy of Resolution No. _____, which was duly adopted by the Board of Education of the Arcadia Unified School District at meeting thereof held on the 8th day of August, 2006, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

By _____
Secretary

EXHIBIT A

“Arcadia Neighborhood Schools Health, Safety, Repair Measure: To improve education, retain and attract quality teachers by

- Repairing, upgrading outdated classrooms, restrooms, plumbing, roofing, lighting, electrical systems, libraries,
- Improving safety, security, fire, removal of hazardous materials,
- Improving handicapped student accessibility,
- Increasing earthquake-safe classrooms,
- Renovating, acquiring, constructing, repairing, equipping classrooms, science labs, neighborhood schools, sites, facilities,

shall Arcadia Unified School District issue \$218,000,000 of bonds at legal rates, with annual audits, independent oversight, and no money for administrators’ salaries?”

Bonds - Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE ARCADIA UNIFIED SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 7, 2006

“Arcadia Neighborhood Schools Health, Safety, Repair Measure: To improve education, retain and attract quality teachers by

- Repairing, upgrading outdated classrooms, restrooms, plumbing, roofing, lighting, electrical systems, libraries,
- Improving safety, security, fire, removal of hazardous materials,
- Improving handicapped student accessibility,
- Increasing earthquake-safe classrooms,
- Renovating, acquiring, constructing, repairing, equipping classrooms, science labs, neighborhood schools, sites, facilities,

shall Arcadia Unified School District issue \$218,000,000 of bonds at legal rates, with annual audits, independent oversight, and no money for administrators’ salaries?”

BOND PROJECT LIST

The Board of Education of the Arcadia Unified School District evaluated the District’s urgent and critical facility needs, including safety issues, enrollment trends, class size, and computer technology, and which projects would have the greatest impact on improving the quality of education and retaining and attracting high-quality teachers, in developing the scope of projects to be funded, as outlined in the Arcadia Unified School District Facilities Needs Assessment and the Facilities Master Plan, presented to the Board on August 8, 2006, each incorporated herein, and as such shall be further amended from time to time. In developing the scope of projects, teachers, staff and community members have prioritized the key health and safety needs so the most critical needs are addressed. The Board conducted a facilities evaluation and received public input and review in developing the scope of facility projects to be funded, as listed in the Needs Assessment and Facilities Master Plan. This input of teachers and community leaders concluded that if these needs were not addressed now, the District would be less able to maintain the quality of its schools. **In approving the Projects, and limiting the expenditure of bond proceeds to these stated purposes, the Board of Education makes six important determinations:**

- (i) **the District must improve all neighborhood schools so that local property values can be maintained or increased, and**
- (ii) **the District shall insist that its schools are healthy and meet legal standards for safety from earthquake risks, hazardous materials such as asbestos and lead paint, and fire dangers; and**

- (iii) **in repairing aging schools, priority shall be given to essential repairs, such as leaky roofs, plumbing, electrical and utility systems; and**
- (iv) **the District must replace deteriorating, 50-year old school restrooms with modern facilities; and**
- (v) **the District must build new classrooms, science labs and libraries as well as upgrade older classrooms for state-of-the-art instructional use; and**
- (vi) **the District must upgrade and expand the capacity of Arcadia High School so that our students have the resources they need to learn and excel, particularly in science and math, and the facilities for large assemblies and performances.**

The Facilities Needs Assessment, the Facilities Master Plan and Bond Project List are on file at the District Office of the Superintendent and include the following projects:

AT BALDWIN STOCKER ELEMENTARY SCHOOL, CAMINO GROVE ELEMENTARY SCHOOL, DANA MIDDLE SCHOOL, FIRST AVENUE MIDDLE SCHOOL, FOOTHILLS MIDDLE SCHOOL, HIGHLAND OAKS ELEMENTARY SCHOOL, HOLLY AVENUE ELEMENTARY SCHOOL, HUGO REID ELEMENTARY/PRIMARY SCHOOL, LONGLEY WAY ELEMENTARY SCHOOL, RANCHO LEARNING CENTER:

Upgrade and Repair Projects

All elementary and middle schools will benefit from renovation projects, such as:

- Upgrade school safety equipment, including fire alarms, smoke detectors, sprinklers, door safety locks, communication systems, safety lighting and fencing.
- Upgrade classrooms, computer labs and technology equipment and software to help teach students reading, math and science.
- Remove hazardous materials, such as lead paint and asbestos, from schools.
- Repair old roofing to prevent leaks.
- Repair deteriorating classrooms.
- Upgrade wiring systems to meet current electrical and accessibility codes and increase capacity.
- Add electrical service capacity to relieve currently overloaded electrical systems.
- Replace existing plumbing systems to meet current codes.
- Replace aging heating, ventilation, air conditioning and lighting systems with building code compliant, energy efficient systems.
- Install code-compliant ventilating systems in restrooms.
- Upgrade classrooms, libraries, labs, physical education facilities, instructional space, science labs, school sites, student support space, covered walkways, and music rooms.

- Classroom interiors will receive new paint, carpet/vinyl tile/asbestos abatement, white markerboards, tackable surfaces, increased storage capacity, as needed to meet District standards.
- Improve food service areas.
- Install energy efficient windows .
- Replace aging portables.
- Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades including site access, parking, relocation of some existing electrical devices, drinking fountains, staff and student restrooms.

School Health and Safety Projects

All elementary and middle schools will benefit from health and safety projects, such as:

- Upgrade fire alarm systems.
- Inspect for/repair “pinhole” gas pipe leaks.
- Install/replace/upgrade security fencing.
- Replace and upgrade security systems.
- Roadway or surface alignments necessary for parking and student safety.

In addition, new libraries, classrooms, restrooms and student support areas may be built at several elementary and middle schools.

AT ARCADIA HIGH SCHOOL

Upgrade and Repair Projects

- Upgrade school safety equipment, including fire alarms, smoke detectors, sprinklers, door safety locks, communication systems, safety lighting and fencing.
- Upgrade classrooms, computer labs, technology equipment and software to help teach students reading, math and science.
- Remove hazardous materials, such as lead paint and asbestos, from schools.
- Repair old roofing to prevent leaks.
- Repair deteriorating classrooms.
- Upgrade wiring systems to meet current electrical and accessibility codes and increase capacity.
- Add electrical service capacity to relieve currently overloaded electrical systems.
- Replace existing plumbing systems to meet current codes, including the elimination of lead-containing fixtures.
- Replace aging heating, ventilation, air conditioning and lighting systems with building code compliant, energy efficient systems.

- Install code-compliant ventilating systems in restrooms.
- Upgrade classrooms, libraries, labs, physical education facilities, instructional space, science labs, school sites, parking availability, student support space, and music rooms.
- Classroom interiors will receive new paint, carpet/vinyl tile/asbestos abatement, white markerboards, tackable surfaces, increased storage capacity, as needed to meet District standards.
- Improve food service areas.
- Install energy efficient windows.
- Replace aging portables.
- Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades including site access, parking, relocation of some existing electrical devices, drinking fountains, staff and student restrooms.

School Health and Safety Projects

- Upgrade fire alarm systems.
- Inspect for/repair “pinhole” gas pipe leaks.
- Install/replace/upgrade security fencing.
- Replace and upgrade security systems.
- Roadway or surface alignments necessary for parking and student safety.

New Construction Projects

- To reduce campus overcrowding at Arcadia High School, in addition to the projects listed above, the Facilities Master Plan includes the construction of a new science education classroom building, consisting of 16 science labs, 8 lecture rooms and a lecture hall, a new education classroom building, consisting of 15 classrooms and areas for student services, health services, and instruction, a multi-purpose classroom building and a large classroom building for assemblies, performance and music education. Expanding existing parking capacity is also planned if the District receives State funds.

Listed building, repair and rehabilitation projects and upgrades will be completed as needed. 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 for unforeseen design and construction costs. In addition to the listed repair and construction projects stated above, this Bond Project List also includes the acquisition of a variety of instructional, maintenance and operational equipment, upgrading of playing fields, physical education facilities (including bleachers), School Maintenance Service Site improvements, warehouse and out buildings, interim housing expenses, relocation of the central kitchen, the refinancing of outstanding lease obligations, and the payment of the costs of preparation of all facility planning, facility assessment reviews, environmental studies and construction documentation. Outdoor instruction space, lunch shelters and covered walkways may be upgraded at some schools. The allocation of bond proceeds may be affected by the District’s receipt of State matching funds and the final costs of each project. The budget for each project is an estimate and may be affected by factors beyond the District’s control. The final cost of each project will be determined as plans 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 modified, delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair may occur, if the Board determines that such an approach would be more cost-effective in creating more enhanced and operationally efficient campuses. Necessary site preparation/restoration in connection with new construction, renovation, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property.

FISCAL ACCOUNTABILITY. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS, INCLUDING THOSE SET FORTH IN GOVERNMENT CODE SECTION 53410. 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 ADMINISTRATOR SALARIES. PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE DEPOSITED INTO A SPECIAL ACCOUNT AND 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.