RESOLUTION NO. 2019-18

RESOLUTION OF THE BOARD OF TRUSTEES OF THE DEPT BLACK OAK MINE UNIFIED SCHOOL DISTRICT ORDERING AN CERVILLE. ELECTION TO AUTHORIZE THE ISSUANCE OF SCHOOL BONDS, ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS OCCURRING ON MARCH 3, 2020

WHEREAS, the Black Oak Mine Unified School District (the "District") in El Dorado County (the "County"), State of California, is committed to providing quality education to its students; and

WHEREAS, the District's facilities are in need of construction and modernization including for repairs, upgrades, and safety improvements in order to provide the education District students deserve in a safe and modern environment; and

WHEREAS, a local funding source such as proceeds of general obligation bonds is needed to enable the District to provide said facilities for its present and future students; and

WHEREAS, the Board of Trustees of the District (the "Board") has determined that it is necessary to address the foregoing concerns, among others, to ensure that its schools are constructed, upgraded, repaired, improved and equipped; and

WHEREAS, on November 7, 2000, the voters of the State of California approved Proposition 39 ("Proposition 39"), which amended Articles XIIIA of the California Constitution ("Article XIIIA") to allow for the levy of ad valorem property taxes for the payment of bonded indebtedness of a school district, community college district or county office of education approved by at least 55 percent of the voters voting on such proposition; and

WHEREAS, upon the passage of Proposition 39, the Strict Accountability in Local School Construction Bond Act of 2000, being California Education Code Section 15264 and following (the "Act"), became operative; and

WHEREAS, in order to address the facilities needs of the District as described herein, in the judgment of the Board, it is advisable to call an election pursuant to the Act to submit to the electors of the District the question whether bonds of the District shall be issued and sold pursuant to the authority of Article XVI Section 18 of the California Constitution and Article XIIIA (together with the Act, the "Law") for the purposes authorized by the Law and as described in Appendix A hereto (the "Full Text of Bond Measure"); and

WHEREAS, under the Act, the election may be ordered at a primary or general election, a regularly scheduled local election at which all of the electors of the District are entitled to vote, or a statewide special election, upon a two-thirds vote of the Board; and

WHEREAS, the Board desires to call an election in the District pursuant to the Law on March 3, 2020, which is the date of the statewide primary election, and pursuant to

Education Code Section 15121 and Elections Code Section 10400 and following, to request consolidation with any and all other elections held in the District on such date, and to request the El Dorado County Registrar of Voters (the "County Registrar") to perform election services for the District; and

WHEREAS, in connection with the calling of a bond election and in accordance with Education Code Section 15100 subparagraph (c), the Board has obtained reasonable and informed projections of assessed property valuations that take into consideration projections of assessed property valuations made by the County assessor, if any; and

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE BLACK OAK MINE UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

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

Section 2. 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 maximum principal amount of \$29,868,000 for the purposes described in the ballot measure approved under Section 4 and attached hereto as <u>Appendix A</u> (Full Text of Bond Measure) and <u>Appendix B</u> (Abbreviated Text of Bond Measure), and paying all costs incident thereto. This Resolution constitutes the order of the District to call such election and shall constitute the "specifications of the election order" pursuant to Education Code Section 5322.

Section 3. Election Date. The date of the election shall be <u>March 3, 2020</u>, and such bond election shall be held solely within the boundaries of the District. The boundaries of the District have not changed since the District's last election.

Section 4. Purpose of Election; Ballot Measure. The purpose of the election shall be for the voters in the District to vote on a bond measure, a full copy of which is attached hereto as Appendix A and marked "Appendix A - Full Text of Bond Measure" (the "Full Text of the Measure"), containing the question of whether the District shall issue general obligation bonds for the purposes stated therein, together with the accountability requirements of Article XIIIA and the requirements of Section 15272 of the Act. The Full Text of the Measure, which commences with the heading "FULL TEXT OF BOND MEASURE" and includes all of the text thereafter on Appendix A, shall be printed in the voter information pamphlet provided to voters, with such measure designation as is assigned to the measure by the County elections official. As required by Education Code Section 5322 and Elections Code Section 13247, the abbreviated form of the measure limited to 75 words or less to appear on the ballot label is attached hereto as Appendix B and is marked as "Appendix B - Abbreviated Form of Bond Measure." The President of the Board and the Superintendent are hereby separately authorized and directed to make any changes to the text of the measure to conform to any requirements of the Law or the County Registrar, to reflect changes in applicable legal provisions, and upon the advice of its legal counsel. Any such changes shall be directed in writing by the Superintendent to the County Registrar.

Section 5. Authority for Election. The authority for ordering the election is contained in Section 15264 *et. seq.* of the Education Code, Article XVI Section 18(b) of the California Constitution and paragraph (b) subsection (3) of Article XIIIA. The authority

for the specification of this election order is contained in Section 5322 of the Education Code.

Section 6. Proceeds for School Facilities Projects. The Board certifies that the proceeds from the sale of the bonds will be used only for the purposes specified in Article XIII A, Section 1(b)(3) as further specified in Appendix A, and not for any other purpose, including teacher and administrator salaries and other school operating expenses. Further, as required by Article XIIIA, the Board hereby certifies that it has evaluated safety, class size and information technology needs in developing the list of school facilities projects set forth in Appendix A.

Section 7. Covenants of the Board upon Approval of the Bonds by the Electorate; Accountability Measures. As required by Article XIIIA, Section 15278 of the Act, and Government Code Section 53410, in the event 55 percent of the voters voting in the District approve of the Bonds, the Board shall:

- (a) conduct an annual, independent performance audit to ensure that the funds have been expended only on the projects listed in Appendix A;
- (b) conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for the school facilities projects listed in Appendix A;
- (c) establish and appoint members to an independent citizens' oversight committee in accordance with Sections 15278, 15280, and 15282 of the Act;
- (d) apply the Bond proceeds only to the specific purposes stated in the ballot proposition;
- (e) cause the creation of accounts into which bond proceeds shall be deposited; and
- (f) cause the preparation of an annual report pursuant to Government Code Sections 53410 and 53411.

Section 8. State Matching Funds. The Board hereby finds that some of the projects identified on the Full Text of Measure will require state matching funds for completion. As such, the statement required by Education Code Section 15122.5 has been included in the Full Text of Measure attached hereto which shall be reproduced in the sample ballot.

Section 9. Delivery of this Resolution. The Clerk of the Board is hereby directed to send a copy of this Resolution to (1) the County Registrar, and (2) the El Dorado County Clerk of the Board of Supervisors (the "Clerk of the Board") for purposes of consolidation pursuant to Elections Code Section 10403. The Resolution shall be received by the County Registrar and the Clerk of the Board no later than 88 days prior to the election date, unless otherwise permitted by law.

The County Registrar is hereby requested to print the full text of the ballot measure in the ballot materials as it appears on Appendix A hereto and to provide all required notices of the election and other notices related thereto.

Section 10. Consolidation of Election; Request to Provide Services. The County Registrar and the El Dorado County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on March 3, 2020 within the District.

Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of El Dorado County is requested to permit the County Registrar to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse El Dorado County in full upon presentation of a bill from the County, such services to include the publication of a formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code).

Section 11. Approval of Tax Rate Statement. Pursuant to Elections Code Section 9401, a tax rate statement has been prepared in the form attached hereto as Appendix C, which form of Tax Rate Statement is hereby approved for inclusion in the sample ballot. The President of the Board, the Superintendent, or any written designee of the foregoing, are hereby separately authorized and directed to execute the tax rate statement, and to file said Statement with the County Registrar, in accordance with Section 9 hereof.

Section 12. Ballot Arguments. As provided in Elections Code Section 9501, 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.

Section 13. Maturity Limit of Bonds. The Bonds may be issued in one or more series by the District from time to time, and each series of Bonds shall mature not more than the legal limit at the time of such issuance thereof. The Bonds shall be issued under the Act, under the provisions of Section 53506 *et seq.* of the California Government Code, or under any other provision of law authorizing the issuance of general obligation bonds by school districts.

Section 14. Estimates Included in Ballot Materials. The measure authorized by this Resolution includes information presented to voters with respect to the amount of money required to repay issued bonds, the estimated rate of the approved tax per \$100 of assessed valuation, and the period through which the proposed tax supporting bond repayment will be levied and collected, among others. Any such estimates have been provided by the District in good faith based upon information currently available to the District, but depend on numerous variables which are subject to variation and change over the term of the District's overall facilities and bond financing plan. Such estimates and approximations are not intended by the Board nor shall be interpreted or construed as additional restrictions on the District's bond program, bond issuances and related tax rate, and, other than the total principal amount of bonds authorized to be issued by the bond measure, do not represent legal maximums or additional limitations beyond applicable legal requirements.

Section 15. Engagement of Bond Counsel. Jones Hall, A Professional Law Corporation, is hereby engaged to serve as legal counsel in connection with the election proceedings, and as Bond Counsel and Disclosure Counsel with respect to bonds issue pursuant to the measure described herein. The Superintendent is directed and authorized to execute the legal services agreement on file with said official.

Section 16. Official Actions. The President of the Board and the Superintendent are hereby separately authorized and directed to execute and deliver to County officials any directions, requisitions or other writings, and to make any changes or additions to the text of the measure as described herein and in the tax rate statement, to conform to any legal requirements or the County Registrar, in order to cause the election to be held and conducted in the District. In particular, in the event that Senate Bill 268 is signed by the Governor, said officials are authorized to make any changes, modifications or supplements to the measure, statements, information and/or the directives contained herein in order to comply with the legal provisions that take effect with the enactment of said Bill.

Section 17. Effective Date. This resolution shall take effect on and after its adoption.

The foregoing Resolution was adopted by the Board of Trustees of the Black Oak Mine Unified School District of El Dorado County, being the Board authorized by law to make the designations therein contained by the following vote, on October 29, 2019.

Adopted by the following votes:

AYES: 4

NOES: \Q

ABSENT: 📎

ABSTAIN:

Attest:

lerk/Secretary of the Board

APPENDIX A

FULL TEXT OF BOND MEASURE

INTRODUCTION

The following is the abbreviated form of the bond measure:

"To improve the quality of education facilities; upgrade classrooms, restrooms and schools; repair/replace roofs; and renovate electrical/plumbing/sewer systems; shall Black Oak Mine Unified School District's measure be adopted authorizing the issuance of \$29,868,000 of bonds at legal interest rates, generating on average \$1,653,000 annually as long as bonds are outstanding at a rate of approximately 4.9 cents per \$100 assessed value, with audits, independent citizens' oversight committee, no money for salaries, and all money on local projects?"

BOND AUTHORIZATION

By approval of this measure by at least 55 percent of the registered voters voting on the measure, the Black Oak Mine Unified School District will be authorized to issue and sell bonds of up to \$29,868,000 in aggregate principal amount at interest rates not to exceed legal limits and to provide financing for the specific types of school facilities projects listed in the Bond Project List described below, subject to all the accountability requirements specified below.

ACCOUNTABILITY REQUIREMENTS

The provisions in this section are specifically included in this measure in order that the voters and taxpayers in the District may be assured that their money will be spent wisely. Expenditures to address specific facilities needs of the District will be in compliance with the requirements of Article XIIIA, Section 1(b)(3), of the State Constitution and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Education Code Sections 15264 and following.)

Evaluation of Needs. The School Board has identified detailed facilities needs of the District and has determined which projects to finance from a local bond. The School Board hereby certifies that it has evaluated safety, class size reduction, enrollment growth, and information technology needs in developing the Bond Project List shown below.

Independent Citizens' Oversight Committee. Following approval of this measure, the Board of Trustees will establish an Independent Citizens' Oversight Committee, under Education Code Sections 15278 and following, to ensure bond proceeds are expended only on the types of school facilities projects listed below. The committee will be established within 60 days of the date when the results of the election appear in the minutes of the School Board.

Performance Audits. The School Board will conduct annual, independent performance audits to ensure that the bond proceeds have been expended only on the school facilities projects listed below.

Financial Audits. The School Board will conduct annual, independent financial audits of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed below.

Government Code Accountability Requirements. As required by Section 53410 of the Government Code, (1) the specific purpose of the bonds is set forth in this Full Text of the Measure, (2) the proceeds from the sale of the bonds will be used only for the purposes specified in this measure, and not for any other purpose, (3) the proceeds of the bonds, when and if issued, will be deposited into a building fund to be held by the El Dorado County Treasurer, as required by the California Education Code, and (4) the Superintendent of the District shall cause an annual report to be filed with the Board of Trustees of the District not later than January 1 of each year, which report shall contain pertinent information regarding the amount of funds collected and expended, as well as the status of the projects listed in this measure, as required by Sections 53410 and 53411 of the Government Code.

NO TEACHER OR ADMINISTRATOR SALARIES

Proceeds from the sale of bonds authorized by this measure shall be used only for the purposes specified in Article XIII A, Section 1(b)(3), those being for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, and the acquisition or lease of school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

STATE MATCHING FUNDS

The following statement is included in this measure pursuant to Education Code Section 15122.5: Approval of this measure does not guarantee that the proposed project or projects that are the subject of bonds under this measure will be funded beyond the local revenues generated by this measure. The District's proposal for the project or projects described below may assume the receipt of matching state funds, which, if available, could be subject to appropriation by the Legislature or approval of a statewide bond measure.

INFORMATION ABOUT ESTIMATES AND PROJECTIONS INCLUDED IN BALLOT

Voters are informed that any estimates or projections in the bond measure or ballot materials, including relating to estimated tax rates, the duration of issued bonds and related tax levies and collections are provided as informational only. Such amounts are estimates and are not maximum amounts or limitations on the terms of the bonds, the tax rate or duration of the tax supporting repayment of issued bonds. Such estimates depend on numerous variables which are subject to variation and change over the term of the District's overall facilities and bond financing plan, including but not limited to the amount of bonds issued and outstanding at any one time, the interest rates applicable to issued bonds, market conditions at the time of sale of the bonds, when bonds mature, timing of project needs and changes in assessed valuations in the District. As such, while such estimates and approximations are provided based on information currently available to the District and its current expectations, such estimates and approximations are not limitations and are not binding upon the District.

BOND PROJECT LIST

Scope of Projects. Bond proceeds will be expended on the construction, reconstruction, rehabilitation, or replacement of school facilities of the Black Oak Mine Unified School District, including furnishing and equipping, and the acquisition or lease of real property for school facilities, and not for any other purpose, including teacher and administrator salaries or other school operating expenses, in compliance with California Constitution Article XIIIA, Section 1(b)(3).

Bond proceeds will be expended to modernize, replace, renovate, expand, construct, acquire, equip, furnish and otherwise improve the classrooms and school facilities of the District, including those located at the following locations:

| American River Charter School (First Built 1984) | Golden Sierra Junior Senior High (First Built 1978) |
|--|---|
| Divide High School (First Built 1978) | Northside School (First Built 1965) |
| | Otter Creek School (First Built 1992) |

The specific school facilities projects to be funded are:

School Renovation, Repair and Upgrade Projects

- Repair or replace leaky roofs.
- Repair/replace existing deteriorating plumbing systems, including drainage and sewer systems.
- Replace inadequate wiring and electrical systems to meet current electrical and accessibility codes, increase capacity, and relieve currently overloaded electrical systems.
- Install additional and/or replace outdated heating, ventilation, air conditioning systems, and lighting systems.
- Renovate, repair, expand and/or upgrade the interior and/or exterior of existing classrooms and school facilities, including infrastructure and landscaping improvements.

- Modernize outdated classroom interiors including new paint, carpet/vinyl, white markerboards, tackable surfaces, increased secure storage capacity for instructional materials and equipment, etc.
- Replace outdated windows with new, energy efficient windows.
- Repair outdated temporary portable classrooms or replace with permanent classrooms.
- Renovate ceilings, walls, and floors, as needed.
- Upgrade outdated restrooms.
- Upgrade, expand, repair and/or equip labs, multipurpose rooms, food service facilities, auditoriums, libraries, locker rooms, and other school facilities, including the cafeteria and gymnasium.
- Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades and as mandated by the Division of the State Architect (DSA) including site access, parking, restrooms, relocation of some existing electrical devices, drinking fountains, playground equipment, etc.

School Site Health, Safety and Security Projects

- Upgrade or replace buildings that do not meet current minimum building code standards.
- Fire alarm systems upgrades, repair fire safety equipment, and emergency exit lighting improvements.
- Remove all dry rot and repair damaged caused by dry rot.
- Replace/upgrade existing signage, bells and clocks.
- Install, repair, upgrade, or replace safety and security systems for students and staff, including camera/surveillance systems and new fencing.
- Install energy efficient systems including lighting, electrical, solar, HVAC etc.
- Federal and State-mandated Occupational Safety & Health Administration (OSHA) safety upgrades including playground areas and playground equipment replacement.
- Relocate or improve student drop-off areas.
- Upgrade and repair play areas, the track, and play fields.
- Upgrade, repair, or expand school site parking, driveways, walkways, grounds, and utilities.
- Abate and remove hazardous materials identified prior to or during construction, including tile/asbestos abatement.
- Repair, replace and/or upgrade paved surfaces, turf, and other grounds to eliminate safety hazards and improve outside instructional areas.

District-Wide Wiring and Technology for Instructional Support and Effective Learning Environment Projects

- Upgrade and expand campus wide-intercom system, wireless systems, and telecommunications, internet, and network connections.
- Upgrade media, audio/visual equipment, and other technology for effective learning environments, including smart boards.
- Upgrade and replace classroom equipment and instructional aides.
- Upgrade and replace computers, hardware and software systems.

Construction Projects at School Sites

- Construct additional classrooms/classroom buildings, restrooms and other related school facilities throughout the District
- New construction related to Federal and State-mandated Americans with Disabilities Act (ADA) accessibility improvements.

Miscellaneous Projects

- Address unforeseen conditions revealed by construction/modernization (such as plumbing or gas line breaks, dry rot, seismic, structural, etc.).
- Other improvements required to comply with existing building codes, including the Field Act, and access requirements of the Americans with Disabilities Act.
- Necessary site acquisition and preparation/restoration in connection with new
 construction, renovation or remodeling, or installation or removal of relocatable
 classrooms, including ingress and egress, removing, replacing, or installing
 irrigation, utility lines (such as gas lines, water lines, electrical lines, sewer lines,
 and communication lines), trees and landscaping, relocating fire access roads,
 and acquiring any necessary easements, licenses, or rights of way to the
 property.
- Rental or construction of storage facilities and other space on an interim basis, as needed to accommodate construction materials, equipment, and personnel, and interim classrooms (including relocatables) for students and school functions or other storage for classroom materials displaced during construction.
- Acquisition of any of the facilities on the Bond Project List through temporary lease or lease-purchase arrangements or execute purchase option under leases for any of these authorized facilities.
- For any project involving rehabilitation or renovation of a building or the major portion of a building, the District shall be authorized to proceed with new replacement construction instead, if the Board of Trustees determines that replacement and new construction is more economically practical than rehabilitation and renovation, considering the building's age, condition, expected remaining life, and other relevant factors.
- All work necessary and incidental to specific projects described above, including demolition of existing structures.

Each of the bond projects described in this Bond Project List include the costs of furnishing and equipping such facilities, and all costs which are incidental but directly related to the types of projects described above.

In addition, this measure authorizes the acquisition of real property, including necessary rights of ways or other real property interests, required to expand District facilities, to provide access to other District sites and facilities, or to provide additional school or related facilities. Further, authorized projects include reimbursements for project costs previously paid by the District, and the payment or prepayment of interim or previously obtained financing for the types of projects included on the project list, such as bond anticipation notes and capital leases relating to projects and/or equipment previously financed. Finally, projects on this list may be undertaken and used as joint use projects with other public agencies.

The order in which projects are listed in the foregoing Bond Project List does not suggest an order of priority. Project prioritization is vested in and will be determined by the District Board of Trustees.

Approval of the District's bond measure does not guarantee that all of the identified projects within this Bond Project List will be funded beyond what can be completed with funds generated by this bond measure. The District plans to pursue funds from the State of California, if available, to complete certain of the identified facilities projects. The District is unable to anticipate all unforeseen circumstances which may prevent some of the projects listed above from being undertaken or completed.

APPENDIX B

ABBREVIATED FORM OF BOND MEASURE

To improve the quality of education facilities; upgrade classrooms, restrooms and schools; repair/replace roofs; and renovate electrical/plumbing/sewer systems; shall Black Oak Mine Unified School District's measure be adopted authorizing the issuance of \$29,868,000 of bonds at legal interest rates, generating on average \$1,653,000 annually as long as bonds are outstanding at a rate of approximately 4.9 cents per \$100 assessed value, with audits, independent citizens' oversight committee, NO money for salaries, and all money on local projects?

Bonds—Yes

Bonds-No

APPENDIX C

TAX RATE STATEMENT REGARDING PROPOSED BLACK OAK MINE UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS

An election will be held in the Black Oak Mine Unified School District (the "District") on March 3, 2020, to authorize the sale of up to \$29,868,000 in bonds of the District to finance school facilities as described in the measure. If such bonds are authorized and sold, 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 9400-9404 of the Elections Code of the State of California. Such information is based upon the best estimates and projections presently available from official sources, upon experience within the District, and other demonstrable factors.

Based upon the foregoing and projections of the District's assessed valuation, the following information is provided:

- 1. The best estimate of the average annual tax rate which 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 \$0.049 per \$100 of assessed valuation (or \$49.00 per \$100,000 of assessed value). The final fiscal year in which it is anticipated that the tax will be collected is 2054-55.
- 2. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on a projection of assessed valuations available at the time of filing of this statement, is \$0.049 per \$100 of assessed valuation (or \$49.00 per \$100,000 of assessed value). It is estimated that such rate would be levied starting in fiscal year 2020-21 and following.
- 3. The best estimate 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 \$59,537,400.

Voters should note the estimated tax rate is based on the assessed value (<u>not</u> market value) of taxable property on the County's official tax rolls. 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 amounts are not maximum amounts or durations and are not binding upon the District. The actual debt service, tax rates and the years in which they will apply may vary from those used to provide the estimates set forth above, due to factors such as variations in the timing of bond sales, the par amount of

bonds sold and market interest rates available at the time of each sale, actual assessed valuations over the term of the bonds, and other factors. The date and amount of bonds sold at any given time will be determined by the District based on the need for project funds and other considerations. The actual interest rates at which the bonds will be sold will depend on conditions in the bond market at the time of sale. Actual future assessed valuations 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.

Superintendent

Black Oak Mine Unified School District