

**ONTARIO-MONTCLAIR SCHOOL DISTRICT
RESOLUTION NO. 2016-17-03**

**ORDERING A GENERAL OBLIGATION BOND ELECTION
AND ESTABLISHING SPECIFICATIONS OF THE
ELECTION ORDER**

WHEREAS, the Board of Trustees (the "Board") of the Ontario-Montclair School District (the "District") is committed to maintaining the quality of education in local public schools by updating classroom technology, improving school safety, and making basic repairs to all schools; and

WHEREAS, since the District wants our students prepared to succeed in a 21st Century economy, children need updated full-service elementary and middle schools which are accessible, free of hazardous materials, and clean and safe learning environments; and

WHEREAS, the Board believes that to achieve that goal the District must attract and retain quality teachers and maintain and repair classrooms, facilities and equipment, as needed, so that all facilities and campuses are more energy efficient, safe, secure and up-to-date and upgrade physical education facilities important for student health and academic performance; and

WHEREAS, to reduce costs in the long run and protect our water supply, the District wants to make improvements that will help our schools use water more efficiently, including installing water recycling systems and upgrading water pipes and drinking fountains; and

WHEREAS, the State of California (the "State") does not provide the District with enough money for the District to adequately upgrade its educational facilities and academic programs; and

WHEREAS, the Board has concluded that the District's only remedy to avoid undermining its educational programs is to secure local funding that the State cannot take away; and

WHEREAS, the Board has received information regarding the possibility of a local bond measure and its impact on protecting student safety, improving schools and attracting and retaining quality teachers; and

WHEREAS, many local elementary and middle schools were built decades ago and need significant repairs, including schools that are over 75 years old, and in order to maintain award-winning education and top test scores, the District must invest in updating technology and its classrooms; and

WHEREAS, such a measure also can provide funds that cannot be taken away by the State; and

WHEREAS, such a measure must include mandatory taxpayer protections, including an independent citizens' oversight committee and mandatory audits to ensure funds are spent properly; and

WHEREAS, on November 7, 2000, the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act ("Proposition 39") which reduced the voter threshold

for *ad valorem* tax levies used to pay for debt service on bonded indebtedness to 55% of the votes cast on a school district general obligation bond; and

WHEREAS, concurrent with the passage of Proposition 39, Chapter 1.5, Part 10, Division 1, Title 1 (commencing with Section 15264) of the Education Code (the "Act") became operative and established requirements associated with the implementation of Proposition 39; and

WHEREAS, the Board desires to make certain findings herein to be applicable to this election order and to establish certain performance audits, standards of financial accountability and citizen oversight that are contained in Proposition 39 and the Act; and

WHEREAS, the Board desires to authorize the submission of a proposition to the District's voters at an election to authorize the issuance of bonds to pay for certain necessary improvements and enhancements to District educational facilities; and

WHEREAS, the Board hereby determines that, in accordance with Opinion No. 04-110 of the Attorney General of the State of California, the restrictions in Proposition 39 which prohibit any bond money from being wasted or used for inappropriate administrative salaries or other operating expenses of the District shall be monitored strictly by the District's Citizens' Oversight Committee; and

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

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

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

WHEREAS, pursuant to the Elections Code, it is appropriate for the Board to request consolidation of the election with any and all other elections to be held on Tuesday, November 8, 2016, and to request the San Bernardino County Registrar of Voters to perform certain election services for the District.

NOW THEREFORE, THE BOARD OF TRUSTEES OF THE ONTARIO-MONTCLAIR 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 San Bernardino County Registrar of Voters to conduct an election under the provisions of Proposition 39 and the Act and submit to the electors of the District the question of whether bonds of the District in the aggregate principal amount of up to \$150,000,000 (the "Bonds") shall be issued and sold for the purpose of raising money for the projects 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 8, 2016.

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

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

(b) that the Board, in establishing the projects set forth in Exhibit "B," evaluated student safety and security, teacher retention, class size reduction, and educational and information technology needs of the District;

(c) that the Board shall cause an annual, independent performance audit to be conducted to ensure that the Bond monies get spent only for the projects identified in Exhibit "B" hereto;

(d) that the Board shall cause an annual, independent financial audit of the proceeds from 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 Education Code Section 15274. The Citizens' Oversight Committee shall initially consist of at least seven (7) members and at no time consist of less than seven (7) members, with the possible exception of brief periods to fill any unexpected vacancies. The Citizens' Oversight Committee may not include any employee or official of the District or any vendor, contractor or consultant of the District. The Citizens' Oversight Committee shall include all of the following: One (1) member who is active in a business organization representing the business community located within the District; One (1) member who is active in a senior citizens' organization; One member who is active in a bona fide taxpayer association; One (1) member who is a parent of a child in the District schools; One (1) member is both a parent of a child in the District schools and active in a school site council or PTA. In furtherance of its specifically enumerated purposes, the Citizens' Oversight Committee may engage in any of the following activities relating solely and exclusively to the expenditure of the Proposition 39 bond proceeds:

(i) Receive and review copies of the annual, independent financial and performance audits performed by independent consultant(s);

(ii) Inspect District facilities and grounds to ensure that Proposition 39 bond revenues are expended in compliance with applicable law;

(iii) Receive and review copies of all deferred maintenance proposals or plans developed by the District;

(iv) Review efforts of the District to maximize Proposition 39 bond revenues by implementing cost-saving programs;

(v) Receive from the Board, within three months of District receiving the above-referenced audits, responses to any and all findings, recommendations, and concerns addressed in said audits, and review said responses; and

(f) that the tax levy authorized to secure the Bonds of this election shall not exceed the Proposition 39 limits per \$100,000 of taxable property in the District when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution.

Section 4. That the authority for ordering the election is contained in Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506.

Section 5. That the authority for the specifications of this election order is contained in Education Code Sections 5322.

Section 6. That the San Bernardino County Registrar of Voters and the San Bernardino County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 8, 2016 within the District. Pursuant to Elections Code Section 10403, the Board acknowledges that the consolidation election will be held and conducted in the manner described in Elections Code Section 10408.

Section 7. That the Secretary of the Board is hereby directed to deliver a certified copy of this Resolution to the San Bernardino County Registrar of Voters no later than August 12, 2016.

Section 8. The Bonds shall be issued pursuant to Section 15264 *et seq.* of the Education Code or pursuant to Government Code Section 53506. The maximum rate of interest on any Bond shall not exceed the maximum rate allowed by Education Code Sections 15140 to 15143, as modified by Government Code Section 53531.

Section 9. That the Board requests the governing body of any such other political subdivision, or any officer otherwise authorized by law, to partially or completely consolidate such election and to further provide that the canvass of the returns of the election be made by anybody or official authorized by law to canvass such returns, and that the Board consents to such consolidation. The Board further authorizes the submission of a tax rate statement and primary and rebuttal

arguments, as appropriate, to be filed with the San Bernardino County Registrar of Voters by the established deadlines.

Section 10. Pursuant to Education Code Section 5303 and Elections Code Section 10002, the Board of Supervisors of San Bernardino County is requested to permit the Registrar of Voters to render all services specified by Elections Code Section 10418 relating to the election, for which services the District agrees to reimburse San Bernardino County, such services to include the publication of a Formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Elections Code Section 9401) pursuant to the terms of Section 5363 of the Education Code and Elections Code Section 12112.

ADOPTED, SIGNED AND APPROVED this 7th day of July, 2016.

BOARD OF TRUSTEES OF THE ONTARIO-
MONTCLAIR SCHOOL DISTRICT

By  _____
President

Attest:



Secretary

STATE OF CALIFORNIA)
)ss
SAN BERNARDINO COUNTY)

I, James Q. Hammond, do hereby certify that the foregoing is a true and correct copy of Resolution No. 2016-17-03, which was duly adopted by the Board of Trustees of the Ontario-Montclair School District at the meeting thereof held on the 7th day of July, 2016, and that it was so adopted by the following vote:

AYES: Five (5)

NOES: None (0)

ABSENT: None (0)

ABSTENTIONS:


By  _____
Secretary

EXHIBIT A

“ONTARIO-MONTCLAIR SCHOOL DISTRICT REPAIR, STUDENT SAFETY, CLASSROOM TECHNOLOGY MEASURE. To repair aging classrooms in order to maintain student health/safety and retain/attract quality teachers, remove asbestos/lead paint, repair restrooms/leaky, deteriorating roofs, upgrade disabled access, school security/fire safety, increase water conservation/energy efficiency, improve technology/computer/science labs, repair, construct, acquire/retrofit school facilities, sites/equipment, shall Ontario-Montclair School District issue \$150,000,000 in bonds, at legal rates, requiring independent audits, citizens’ oversight, keeping all funds local?”

Bonds – Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE ONTARIO-MONTCLAIR SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 8, 2016

The following is the full proposition presented to the voters by the Ontario-Montclair School District.

“ONTARIO-MONTCLAIR SCHOOL DISTRICT REPAIR, STUDENT SAFETY, CLASSROOM TECHNOLOGY MEASURE. To repair aging classrooms in order to maintain student health/safety and retain/attract quality teachers, remove asbestos/lead paint, repair restrooms/leaky, deteriorating roofs, upgrade disabled access, school security/fire safety, increase water conservation/energy efficiency, improve technology/computer/science labs, repair, construct, acquire/retrofit school facilities, sites/equipment, shall Ontario-Montclair School District issue \$150,000,000 in bonds, at legal rates, requiring independent audits, citizens’ oversight, keeping all funds local?”

PROJECT LIST

The Board of Trustees (“Board”) of the Ontario-Montclair School District is committed to repairing its old schools and attracting and retaining quality teachers by fixing deteriorating classrooms, leaky, deteriorating roofs, and ensuring the safety and security of all students. To that end, the Board received input from teachers, staff and the community and evaluated the District’s urgent and critical facility needs, including the need for up-to-date technology, safety issues, class size reduction, computer and information technology, and prepared a Facilities Master Plan presented to the Board on May 5, 2016, which the Plan is incorporated herein in its entirety, in developing the scope of projects to be funded. Therefore, in approving this Project List, the Board of Trustees determines that the District must:

- (i) Attract and retain quality teachers; and
- (ii) Provide clean and safe classrooms, and a quality learning environment for current and future students; and
- (iii) Remove hazardous materials like asbestos from older school sites; and
- (iv) Update accessibility for disabled persons; and
- (v) Adhere to specific fiscal accountability safeguards such as:
 - (a) Ensure all funds are only used locally,
 - (b) Prohibit the State from taking any of the funds raised,
 - (c) Require that expenditures must be subject to annual independent financial audits, and
 - (d) Require independent citizens’ oversight of bond funds

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

**REPAIR OLD SCHOOLS; WATER EFFICIENCY:
Renovation, Repair, Recycling, and Upgrade Projects**

Goal and Purposes: Many local schools were built decades ago and need significant repairs – including schools that are over 75 years old. This measure will fix deteriorating classrooms, bathrooms, and leaky, deteriorating roofs, remove asbestos and lead paints, and replace outdated air conditioning so children can learn in safe, healthy classrooms.

California’s drought has made conserving water and saving money on utilities more important than ever. We need to make improvements that will help our schools use water more efficiently, including installing water recycling systems and upgrading water pipes and drinking fountains, which can significantly reduce costs in the long run and protect our water supply.

- Remove asbestos
- Replace aging water pipes, and drinking fountains
- Repair aging classrooms, bathrooms and leaky, deteriorating roofs
- Improve accessibility for disabled persons
- Upgrade outdated heating, plumbing and electrical systems and gas lines
- Install water conservation and water recycling systems at schools
- Upgrade fire alarms systems, including fire safety doors, smoke alarms, and detectors.
- Remove lead paint

**STUDENT HEALTH AND SAFETY:
Improve Student Safety and Security Projects**

Goal and Purpose: This measure will upgrade school security to prevent violent intruders from entering campuses and prevent tragedies at our neighborhood schools. By funding the installation of special door locks for emergency school lockdowns, and up-to-date security cameras so police can arrest people who vandalize schools, we can make our schools safer.

- Upgrade fire safety systems
- Ensure safe drinking water for students
- Remove hazardous materials, like asbestos, from older school sites
- Provide disabled accessibility
- Retrofit buildings to meet earthquake safety standards
- Upgrade school safety to prevent intruders

UPGRADE TECHNOLOGY:
District-Wide Instructional Technology and Wiring Projects
To Provide a 21st Century Education

Goal and Purpose: Our local elementary and middle schools are lacking the up-to-date technology students need to succeed. This measure will ensure all students get access to computers and the instructional technology in the classroom they need. Classrooms, science labs and computer labs will be upgraded, and electrical systems and wiring improved for computers and internet access, to ensure our students have equal access to competitive 21st Century learning.

- Upgrade electrical systems and wiring for computer technology and internet access.
- Upgrade elementary and middle school computer and science labs.

* * *

The listed projects 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, and escalation for unforeseen design and construction costs. In addition to the listed projects stated above, the Project List also includes the payment of the costs of preparation of all facility planning, facility assessment reviews and master plans, environmental studies, construction documentation, inspection and permit fees, and temporary housing of dislocated District activities caused by bond projects. The upgrading of technology infrastructure includes, but is not limited to, servers, switches, routers, modules, computers, district-wide computer labs upgrades, smart boards, cameras, sound projection systems, wiring every classroom for internet connectivity, wireless networks, wireless access points and controllers, portable interface devices, mobile device management systems, printers, upgraded voice-over-IP, phone systems, call manager and network security/firewall, and other miscellaneous equipment. The repair and improvement of school facilities includes the following types of projects: install or acquire energy efficiency improvements for school buildings, including solar projects; install energy efficient lighting, air conditioning, heating, insulation and ceiling systems, and windows; construct, upgrade, repair or install school site parking, campus accessibility, utilities, plumbing, gas lines, playground equipment, hard court surfaces, general site paving, learning walls, tack boards, cabinets, tutoring rooms, restrooms, interior and exterior lighting, water heaters, boilers, walkway covers and casework, signage, electronic marquees, asphalt, fire sensors, shade structures, outdated heating and air conditioning systems, physical education facilities, gyms, lockers, bleachers, multipurpose rooms used for after-school programs, assemblies, sports, performing arts and serving meals, playgrounds, play fields, including turf and artificial turf; provide on-campus health care clinics and after-school tutoring space; improve food service facilities; enlarge, upgrade or build media/library centers, kitchens and lunch shelters, site classrooms and administration buildings, staff lounges; construct or upgrade child care facilities; upgrades and reconfigure parking lots and drop off/pick up zones to improve student safety; upgrade electrical wiring and systems; renovate and paint interior and exterior building surfaces to extend their useful life; improve security, install safety, security and communication systems and equipment, windows and floor coverings (including tiles and carpeting); build or upgrade irrigation systems; make improvements and acquire furnishings and/or other electronic equipment and systems. The allocation of bond proceeds may be affected by the District's receipt of State matching funds and the final costs of each project. In the absence of State matching

funds, which the District will aggressively pursue to reduce the District's share of the costs of the projects, the District may not be able to complete some of the projects listed above. The budget for each project is an estimate and may be affected by factors beyond the District's control. Some projects throughout the District may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating enhanced and operationally efficient campuses. Necessary site preparation/restoration and landscaping, may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, redirecting fire access, and acquiring any necessary easements, licenses, or rights of way to the property.

Bond proceeds shall be expended only for the specific purposes identified herein. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to the bond projects. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.

FISCAL ACCOUNTABILITY: IN ACCORDANCE WITH EDUCATION CODE SECTION 15272, THE BOARD OF TRUSTEES WILL APPOINT A CITIZENS' OVERSIGHT COMMITTEE AND CONDUCT ANNUAL INDEPENDENT AUDITS TO ASSURE THAT FUNDS ARE SPENT ONLY ON DISTRICT PROJECTS AND FOR NO OTHER PURPOSE. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. BY LAW, PERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS' OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATION OF A BONA FIDE TAXPAYERS ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS ORGANIZATION. NO DISTRICT EMPLOYEES OR VENDORS ARE ALLOWED TO SERVE ON THE CITIZENS' OVERSIGHT COMMITTEE.

No Administrator Salaries: Proceeds from the sale of the bonds authorized by this proposition shall be used only for the acquisition, construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, and not for any other purpose, including teacher and school administrator salaries and other operating expenses. Bond funds shall not be temporarily transferred to the District's general fund for administrative purposes.