

RESOLUTION NO. 06-01

RESOLUTION OF THE BOARD OF EDUCATION OF THE
SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT
ORDERING AN ELECTION, AND ESTABLISHING
SPECIFICATIONS OF THE ELECTION ORDER

WHEREAS, the Board of Education (the “Board”) has determined that each public school within the Santa Monica-Malibu Unified School District (the “District”), needs to be upgraded, repaired, improved, and better equipped, and on certain campuses new classrooms need to be constructed and equipped, to enable the District to enhance the educational opportunities of all the students in the District and to achieve one of the Board’s primary goals of providing comparable schools for all students throughout the District; and

WHEREAS, the District has undertaken significant community outreach efforts to gather opinions of parents and community members as to their assessment of the District’s facility needs as summarized in published newsletters and at www.ourschoolplan.com; and

WHEREAS, as the Board, working in collaboration with representatives of each school and its Ad Hoc Facilities Committee, undertakes its review of the Draft Interim Facilities Report/Master Facilities Plan, it recognizes that the most critical and immediate facility needs vary from school to school, and to properly allocate its resources to achieve equity between schools, ensure that all schools benefit and to assist students and schools of highest needs, further public dialogue will be required and additional input from the Santa Monica and Malibu communities solicited; 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 may qualify for significant State matching facility improvement money if it were 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, as the Board identifies critical need school improvements to be funded with a local general obligation bond, the Board determines that each such project, regardless of whether it is a new construction or a repair and upgrade project, from the beginning of the design process shall incorporate Collaborative for High Performance Schools (“CHIPS”) criteria to the extent feasible, and that the focus be on criteria in the following:

- a. student performance and staff health and well being, through measures such as daylighting, use of non toxic-emitting materials and sound insulation or isolation to minimize noise and enhance acoustical quality in the classroom;
- b. operating cost minimization, through energy and water efficiency; and

- c. minimizing the impact of District operations on the environment, through, for example, the installation of purchase of renewable energy resources such as solar power, and maximizing the beneficial use of stormwater runoff; 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 SANTA MONICA-MALIBU 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 \$268 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 and information technology needs of the District as well as the importance of the projects to student achievement and enhanced instruction;

(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 10, 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 3rd day of August, 2006.

BOARD OF EDUCATION OF THE SANTA
MONICA-MALIBU UNIFIED SCHOOL DISTRICT

By /s/ Julia Brownley
President

Attest:

/s/ Timothy R. Walker
Secretary

STATE OF CALIFORNIA)
)
LOS ANGELES COUNTY)

I, Timothy R. Walker, do hereby certify that the foregoing is a true and correct copy of Resolution No. 60-01, which was duly adopted by the Board of Education of the Santa Monica-Malibu Unified School District at meeting thereof held on the 3rd day of August, 2006, and that it was so adopted by the following vote:

AYES: Seven

NOES: None

ABSENT: None

ABSTENTIONS: None

By /s/ Timothy R. Walker
Secretary

EXHIBIT A

“Santa Monica-Malibu Schools Safety and Repair Measure: “To improve health, safety, class instruction by

- Upgrading, acquiring, constructing, repairing and equipping classrooms, science labs, local neighborhood schools, sites and facilities;
- Repairing, renovating outdated classrooms, bathrooms, plumbing, leaky roofs, computer technology, fire safety equipment;
- Improving handicapped student accessibility;
- Earthquake-retrofitting classrooms;
- Removing asbestos and mold;

shall Santa Monica-Malibu Unified School District issue \$268 million of bonds at legal rates, with guaranteed financial audits, citizen oversight, and no money for administrators’ salaries?”

Bonds - Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 7, 2006

“Santa Monica-Malibu Schools Safety and Repair Measure: “To improve health, safety, class instruction by

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- Improving handicapped student accessibility;
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PRIORITY SCHOOL PROJECTS LIST

The Board of Education of the Santa Monica-Malibu Unified School District evaluated the District’s urgent and critical facility needs, including safety issues, enrollment trends, class size, overcrowding, energy efficiency and computer technology, in developing the scope of projects to be funded, as outlined in the Santa Monica-Malibu Unified School District Draft Interim Facilities Report presented to the Board of Education on July 27, 2006, incorporated herein, and as 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 and sustainability (as reflected by the Collaborative for High Performance Schools criteria) needs so that the most critical facility 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 Report. This input of teacher and community leaders concluded that if these needs were not addressed now, the problem would only get worse. **In approving this Priority School Projects List, the Board of Education makes six important determinations:**

- (i) the District shall insist that all of its schools be healthy and safe from earthquake risks, hazardous materials such as asbestos, mold and fire dangers; and**
- (ii) in repairing aging schools, priority shall be given to basic repairs, such as leaky roofs, plumbing, electrical and utility systems; and**
- (iii) the District must replace deteriorating, 30-year old school restrooms with modern facilities; and**

- (iv) **the District must manage class size by repairing existing classrooms and building new classrooms, particularly so that students can improve their academic performance; and**
- (v) **the District must not only install and upgrade fire prevention, security and emergency response systems at every school so that all students are safe but in making all repairs apply energy saving and sustainability standards as well as principles of Collaborative for High Performance Schools (CHIPS); and**
- (vi) **the District must aggressively apply for State matching funds and spend any local bond money exclusively on schools within the District and shall not allow bond monies to be transferred to the State or any other agency.**

The Report and Bond Project List are on file at the District Office of the Superintendent and include the following types projects:

PRIORITY SCHOOL PROJECTS

School Renovation, Repair and Upgrade Projects

All schools will benefit from the renovation, repair and upgrade of deteriorating, outdated facilities and equipment:

- Repair and upgrade leaking roofs.
- Replace existing wiring systems to meet current electrical and accessibility codes and increased capacity.
- Additional electrical service capacity to relieve currently overloaded electrical systems.
- Replace existing plumbing systems to meet current codes, including the elimination of lead-containing fixtures.
- Upgrade bathrooms.
- Replace older heating, ventilation, air conditioning and lighting systems with building code compliant, energy efficient systems.
- Install code-compliant ventilating systems in bathrooms.
- Provide enhanced computer labs.
- Upgrade and equip science labs, multipurpose rooms, athletic facilities, kitchens, auditoriums, libraries, arts and music rooms, childcare, preschool and adult education facilities.
- Classroom interiors will receive new paint, carpet/vinyl tile/asbestos abatement, white markerboards, tackable surfaces, increase secure storage capacity for instructional materials and equipment.
- Replace existing window systems with energy efficient systems.

- Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades including site access, parking, staff and student restrooms, relocation of some existing electrical devices, drinking fountains, playground equipment, etc.
- Expand nurse/health aide facilities.
- Remodel administrative and educational support spaces.
- Expand library services to include computers.
- Install ultraviolet lights in heating and air cooling units to minimize airborne mold particulates for improved indoor air quality.
- Repair aging schools.

School Health and Safety and Site Projects

All schools and school sites will benefit from health and safety projects, such as:

- Remove all asbestos, mold and all hazardous materials.
- Fire alarm systems upgraded to automatic systems, repair fire safety equipment.
- Inspect for/repair “pinhole” gas pipe leaks.
- Replace/upgrade existing signage, bells and clocks.
- Install/replace/upgrade security fencing.
- Replace/upgrade existing security and irrigation systems.
- Install solar and energy efficient systems.
- Install new security systems.
- Federal and State-mandated Occupational Safety & Health Administration (OSHA) safety upgrades including site playground equipment replacement.
- Relocate or improve student drop-off areas, including a separate area for buses.
- Inspect and improve play area fields for safety and drainage.
- Replace existing wooden doors and doorframes with metal doors and doorframes.
- Upgrade school site parking, utilities and grounds.
- Repair termite damage to structures and doors/doorframes.
- Retrofit schools and classrooms for earthquake safety, as required by State law.

District-Wide Wiring and Technology For Effective Learning Environment Projects

- Upgrade and expand wireless systems, telecommunications, internet and network connections.
- Upgrade and replace computers, hardware and software systems.
- Upgrade and replace classrooms equipment and instructional aids.

- Upgrade media and audio/visual equipment.
- Install Smart Boards in classrooms.

New Construction Projects at School Sites

Some schools would benefit from the construction and expansion of additional facilities, such as:

- Multi-Purpose Room, including the cafeteria, serving kitchen, staff and student bathrooms, storage, administrative and educational support spaces, and classrooms.
- New classrooms/classroom buildings.
- Lunch shelters for outdoor activities.
- ADA accessibility upgrades as mandated by the Division of the State Architect (DSA).
- Additional electrical service capacity.
- Additional staff and student bathrooms.

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, the Priority School Projects List also includes the acquisition of a variety of instructional, maintenance and operational equipment, including school buses, the reduction or retirement of outstanding lease obligations, the construction of new schools, if necessary to serve students, the acquisition of land, the payment of the costs of preparation of all facility planning, facility assessment reviews, environmental studies and construction documentation, the acquisition of outstanding ground leases, temporary housing of dislocated District activities caused by bond projects and the leasing or acquisition of a transportation lot for school buses. The allocation of bond proceeds will 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 will not be able to complete some of the projects listed above. Certain projects may be undertaken as joint use projects in cooperation with other local public agencies. 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 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 more enhanced and operationally efficient campuses. Necessary site preparation/restoration 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, 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. 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.