

NORTH MONTEREY COUNTY UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 2013-1403

**RESOLUTION OF THE BOARD OF EDUCATION OF THE NORTH
MONTEREY COUNTY UNIFIED SCHOOL DISTRICT ORDERING A
SCHOOL BOND ELECTION, AND AUTHORIZING NECESSARY
ACTIONS IN CONNECTION THEREWITH**

WHEREAS, the Board of Education (the "Board") of the North Monterey County Unified School District (the "District"), within Monterey County, California (the "County"), is authorized to order elections within the District and to designate the specifications thereof, pursuant to sections 5304 and 5322 of the California Education Code (the "Education Code");

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

WHEREAS, pursuant to section 18 of Article XVI and section 1 of Article XIII A of the California Constitution, and section 15266 of the California Education Code, school districts may seek approval of general obligation bonds and levy an *ad valorem* tax to repay those bonds upon a 55% vote of those voting on a proposition for the purpose, provided certain accountability measures are included in the proposition;

WHEREAS, the Board deems it necessary and advisable to submit such a bond proposition to the electors to be approved by 55% of the votes cast;

WHEREAS, such a bond election must be conducted concurrent with a statewide primary election, general election or special election, or at a regularly scheduled local election, as required by section 15266 of the California Education Code;

WHEREAS, on November 5, 2013, a regular election is scheduled to occur throughout the District;

WHEREAS, pursuant to section 15270 California Education Code, 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 \$60 per year per \$100,000 of assessed valuation of taxable property;

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

WHEREAS, 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

NOW, THEREFORE, be it resolved, determined and ordered by the Board of Education of the North Monterey County Unified School District as follows:

Section 1. Specifications of Election Order. Pursuant to sections 5304, 5322, 15100 *et seq.*, and section 15266 of the California Education Code, an election shall be held within the boundaries of the District on November 5, 2013, for the purpose of submitting to the registered voters of the District the following proposition:

BOND AUTHORIZATION

By approval of this proposition by at least 55% of the registered voters voting on the proposition, the District shall be authorized to issue and sell bonds of up to \$23,800,000 in aggregate principal amount to provide financing for the specific school facilities projects listed in the Bond Project List attached hereto as Exhibit A, subject to all of the accountability safeguards specified below. Bonds will be issued in one series.

ACCOUNTABILITY SAFEGUARDS

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

Evaluation of Needs. The Board of Education has updated its facilities plan in order to evaluate and address all of the facilities needs of the District, and to determine which projects to finance from a local bond at this time. The Board of Education hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List contained in Exhibit A.

Independent Citizens' Oversight Committee. The Board of Education shall establish and maintain an independent Citizens' Oversight Committee (section 15278 *et seq.* of the California Education Code), to ensure bond proceeds are expended only for the school facilities projects listed in Exhibit A. The committee shall be established within 60 days of the date when the results of the election appear in the minutes of the Board of Education.

Annual Performance Audits. The Board of Education shall cause to conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects listed in Exhibit A.

Annual Financial Audits. The Board of Education shall cause to conduct an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed in Exhibit A.

Special Bond Proceeds Account; Annual Report to Board. Upon approval of this proposition and the sale of any bonds approved, the Board of Education shall take actions necessary to establish an account in which proceeds of the sale of bonds will be deposited. As long as any proceeds of the bonds remain unexpended, the Superintendent shall cause a report to be filed with the Board no later than January 1 of each year, commencing January 1, 2014, stating (1) the amount of bond proceeds received and expended in that year, and (2) the status of any project funded or to be funded from bond proceeds. The report may relate to the calendar year, fiscal

year, or other appropriate annual period as the Superintendent shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

BOND PROJECT LIST

The Bond Project List attached to this resolution as Exhibit A shall be considered a part of the ballot proposition, and shall be reproduced in any official document required to contain the full statement of the bond proposition.

The Bond Project List, which is an integral part of this proposition, lists the specific projects the District proposes to finance with proceeds of the Bonds. Listed repairs, rehabilitation projects and upgrades will be completed as needed. Each project is assumed to include its share of costs of the election and bond issuance, architectural, engineering, and similar planning costs, construction management, and a customary contingency for unforeseen design and construction costs. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. In addition, certain construction funds expected from non-bond sources, including State grant funds for eligible projects, have not yet been secured. Therefore the Board of Education cannot guarantee that the bonds will provide sufficient funds to allow completion of all listed projects.

FURTHER SPECIFICATIONS

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

Single Purpose. All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to section 15100 of the California Education Code, and all the enumerated purposes shall constitute the specific single purpose of the bonds, and proceeds of the bonds shall be spent only for such purpose, pursuant to section 53410 of the California Government Code.

Other Terms of the Bonds. When sold, the bonds shall bear interest at an annual rate not exceeding the statutory maximum, and that interest will be made payable at the time or times permitted by law. The bonds may be issued and sold in several series, and no bond shall be made to mature later than the maximum term permitted by law.

Section 2. Abbreviation of Proposition. Pursuant to section 13247 of the California Elections Code and section 15122 of the California Education Code, the Board hereby directs the Registrar of Voters to use the following abbreviation of the bond proposition on the ballot:

"To renovate and modernize aging school facilities and classrooms, upgrade libraries, replace leaking and deteriorating roofs, improve energy efficiency by upgrading heating, electrical and plumbing systems, upgrade athletic facilities, upgrade access to instructional technology, and improve school safety and security, shall the North Monterey County Unified School District be authorized to issue \$23,800,000 in bonds at legal interest rates with no funds for administrator salaries and an appointed Independent Citizens' Oversight Committee to monitor all bond expenditures?"

Section 3. Voter Pamphlet. The Registrar of Voters of the County is hereby requested to reprint Section 1 hereof (including Exhibit A hereto) in its entirety in the voter information

pamphlets to be distributed to voters pursuant to section 13307 of the California Elections Code. In the event Section 1 is not reprinted in the voter information pamphlets in its entirety, the Registrar of Voters of the County is hereby requested to print, immediately below the impartial analysis of the bond proposition, in no less than 10-point boldface type, a legend substantially as follows:

"The above statement is an impartial analysis of Measure _____. If you desire a copy of the measure, please call the Monterey County Registrar of Voters at (831) 796-1499 and a copy will be mailed at no cost to you."

Section 4. Required Vote. Pursuant to section 18 of Article XVI and section 1 of Article XIII A of the State Constitution, the above proposition shall become effective upon the affirmative vote of at least 55% of those voters voting on the proposition.

Section 5. Matching Funds. Pursuant to section 15122.5 of the California Education Code, the District hereby requests that the Registrar of Voters of the County include the following statement in the ballot pamphlet:

Approval of Measure _____ does not guarantee that the proposed project or projects in the North Monterey County Unified School District that are the subject of bonds under Measure _____ will be funded beyond the local revenues generated by Measure _____. The school district's proposal for the project or projects may assume the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.

Section 6. Request to County Officers to Conduct Election. The Registrar of Voters of the County is hereby requested, pursuant to section 5322 of the California Education Code, to take all steps to call and hold the election in accordance with law and these specifications.

Section 7. Consolidation Requirement; Canvass.

(a) Pursuant to section 15266(a) of the California Education Code, the election shall be consolidated with the special election on November 5, 2013.

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

Section 8. Delivery of Order of Election to County Officers. The Clerk of the Board of Education of the District is hereby directed to deliver, no later than August 9, 2013 (which date is 88 days prior to the date set for the election), one copy of this Resolution to the County Superintendent of Schools and the Registrar of Voters of the County together with the Tax Rate Statement (attached hereto as Exhibit B), completed and signed by the Superintendent, and shall file a copy of this Resolution with the Clerk of the Board of Supervisors of the County.

Section 9. Ballot Arguments. The members of the Board are hereby authorized, but not directed, to prepare and file with the Registrar of Voters of the County a ballot argument in favor of the proposition contained in Section 1 hereof, within the time established by the Registrar of Voters of the County.

Section 10. Further Authorization. The members of this Board, the Superintendent, and all other officers of the District are hereby authorized and directed, individually and collectively, to do any and all things that they deem necessary or advisable in order to effectuate the purposes of this resolution.

Section 11. Effective Date. This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED this 25th day of July, 2013, by the following vote:


AYES: 4

NAYS: 0

ABSTAIN: 0


ABSENT: 1

APPROVED:



President of the Board of Education of the
North Monterey County
Unified School District

Attest:



Clerk of the Board of Education of the
North Monterey County
Unified School District

EXHIBIT A

NORTH MONTEREY COUNTY UNIFIED SCHOOL DISTRICT

BOND PROJECT LIST

The North Monterey County Unified School District serves more than 4,200 students in grades K-12. The district operates seven schools, Castroville Elementary, Echo Valley Elementary, Elkhorn Elementary, Prunedale Elementary, North Monterey County Middle, Central Bay High and North Monterey County High School. The district also operates pre-schools at each elementary school as well as the Castro Plaza Family Resource Center.

The schools in the district were constructed over the past 65 years, with our oldest school, Castroville Elementary built in 1948. The facilities have served the community well, but the schools need to be upgraded to meet the changing demands and standards in education. Technology was not a big part of classrooms in 1948 but students today must be prepared for an ever changing world of technology.

The District has used bond funds approved by voters in 2002 and maximized local bond investments with matching state funds, grants, and federal stimulus funds. Schools have improved heating, plumbing and ventilation systems, replaced fire alarms, provided better access to technology and purchased modular classrooms to replace old classrooms. But still there are urgent and necessary facility projects that need to be completed.

The District recently updated its Facility Master Plan to provide guidance for the implementation of the proposed 2013 bond program. Some District school projects require immediate attention, for example, North Monterey County High School must replace old and deteriorating roofs and heating and ventilation systems must be replaced. All schools in the district will receive bond funds and accountability and citizen oversight safeguards are required to make certain all bonds funds are spent appropriately. The Facility Master Plan is available online at www.nmcusd.org.

The schools in the district include:

Castroville Elementary, 11161 Merritt Street, Castroville, CA
Built 1948

Central Bay Continuation High School, 10301 Pesante Road, Salinas, CA

Echo Valley Elementary, 147 Echo Valley Road, Salinas, CA
Built 1964

Elkhorn Elementary, 2235 Elkhorn Road, Castroville, CA
Built 1957

North Monterey County High School, 13990 Castroville Blvd, Castroville, CA
Built 1978

North Monterey County Middle School, 10301 Seymour Street, Castroville, CA
Built 1965

Prunedale Elementary, 17719 Pesante Road, Salinas, CA
Built 1949

School bond projects as outlined in the District Facilities Master Plan include plans to:

- Renovate classrooms.
- Remove and replace old portable classrooms as needed.
- Replace old heating, ventilation, electrical and plumbing systems.
- Replace leaking and deteriorating roofs.

Replace inefficient building systems, including new windows, lighting.
Upgrade athletic facilities including tracks and fields.
Acquire and upgrade technology, including computers, networking systems, instructional technology and related systems.
Improve school security, including fencing and lighting.
Replace old underground utilities including gas, water and sewer lines as needed.
Improve seismic safety.
Paint the interior and exterior of buildings.
Repair and replace damaged and uneven paving and concrete.
Provide classroom furniture and equipment as needed.
Other improvements required to comply with existing building codes, including the Field Act, and access requirements of the Americans with Disabilities Act.
Upgrade multi-purpose rooms.
Renovate and expand libraries.
Improve parking and traffic flow.

The Bond Project List lists the specific projects the School District proposes to finance with proceeds of the bonds. Listed construction projects, replacements, repairs, rehabilitation projects and upgrades will be completed as needed at a particular school or facility site according to Board-established priorities. Each project is assumed to include its share of costs of architectural, engineering, inspection, and similar planning and testing costs, project and construction management, demolition and interim housing costs, a contingency for unforeseen design and construction costs, and other costs incidental to and necessary for completion of such project. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. In addition, certain construction funds expected from non-bond sources, including State of California grant or bond funds for eligible components, have not yet been secured. Therefore, the Board cannot guarantee that the bonds will provide sufficient funds to allow completion of all listed projects. Alternatively, if the School District obtains unexpected funds from non-bond sources with respect to listed projects, such projects may be enhanced, supplemented or expanded to the extent of such funds. Some projects may be subject to further government approvals, including by State officials and boards and/or local environmental or agency approval. Inclusion of a project on the Bond Project List is not a guarantee that the project will be completed.

EXHIBIT B
TAX RATE STATEMENT

An election will be held in the North Monterey County Unified School District (the "District") on November 5, 2013, to authorize the sale of up to \$23,800,000 in bonds of the District for the specific school facilities projects listed in the Bond Project List established by the District, as described in the proposition. If the bonds are authorized, the District expects to sell the bonds in one or more series. Principal and interest on the bonds will be payable from the proceeds of 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.

1. The best estimate of the tax which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$39 per \$100,000 of assessed valuation in fiscal year 2014-15.

2. The best estimate of the tax which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the last series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$39 per \$100,000 of assessed valuation in fiscal year 2016-17.

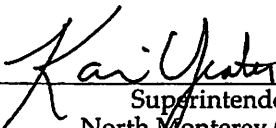
3. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is \$39 per \$100,000 of assessed valuation in fiscal year 2016-17.

4. The best estimate of the average tax rate which would be required to be levied to fund this bond issue during the life of the bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$39 per \$100,000 of assessed valuation.

Voters should note that estimated tax rate is based on the ASSESSED VALUE of taxable property on Monterey County's official tax rolls, not on the property's market value. Property owners should consult their own property tax bills to determine their property's assessed value and any applicable tax exemptions.

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

Dated: July 25, 2013.



Superintendent
North Monterey County
Unified School District