SAN JOSE UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION

RESOLUTION 2013-08-09-06

RESOLUTION OF THE BOARD OF EDUCATION OF THE SAN JOSE UNIFIED SCHOOL DISTRICT ORDERING A SCHOOL BOND ELECTION FOR NOVEMBER 6, 2012, AND AUTHORIZING NECESSARY ACTIONS IN CONNECTION THEREWITH

WHEREAS, on May 17, 2012, the Board of Education (the “Board”) of the San Jose Unified School District (the “District”), within the County of Santa Clara, adopted the OPPORTUNITY21: 2012-2017 Strategic Plan (“Opportunity21”) to lay out its vision for the District’s educational program, with a focus on ensuring that all students are prepared to excel in 21st Century society; and

WHEREAS, the Board believes that a bond measure will help ensure that the educational vision of Opportunity21 can be achieved over time and that all students have access to state-of-the-art educational facilities and that all schools in the District have up-to-date science labs, career training facilities, computers and learning technology and high quality teachers and staff are attracted and retained;

WHEREAS, in order to continue improving education in all of the District’s schools, the Board’s priority is to complete repairs and upgrades that will provide for facilities equity among schools and benefit all of the District’s schools, including:

(i) Ensure that all schools are equipped with up-to-date computers, learning technology, and grade-level appropriate science labs and career training facilities so that students are prepared to excel in 21st Century society in keeping with the skills and learning outcomes identified in Opportunity21;

(ii) Complete basic and necessary repairs and upgrades to District schools to provide a safe, healthful learning environment for all students;

(iii) Upgrade classrooms and improve energy efficiency to save money that can be used to maintain quality academic programs and retain teachers;

(iv) Ensure that facilities are up to date and safe so that qualified teachers continue to want to teach in our schools;

(v) Reduce operating costs by acquiring, improving and/or installing more cost efficient energy systems, paying off Certificates of Participation/facility leases, and making other improvements.

WHEREAS, the Board 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 that 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 fifty-five percent (55%) of the votes cast;

WHEREAS, the Board desires to set standards of financial accountability for this bond
measure, including but not limited to obtaining annual financial and performance audits,
establishing a citizens oversight committee, and prohibiting the expenditure of bond funds
for administrative salaries or other operating expenses;

WHEREAS, such a bond election must be conducted concurrently 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, and on November
6, 2012, an election is scheduled to occur throughout the District;

WHEREAS, pursuant to section 15270 of the 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 the limit set by Proposition 39 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;

WHEREAS, in the judgment of the Board, it is advisable to request that the Santa
Clara County Registrar of Voters (the “County Registrar”) act as the election official and call
an election and submit to the registered voters of the District the full ballot proposition as
detailed below, in coordination with the District as necessary;

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.

NOW, THEREFORE, be it resolved, determined and ordered by the Board of Education
of the San Jose 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 District on November 6, 2012, for the purpose of submitting to the registered voters of
the District the full ballot proposition contained in **Exhibit B** (“Full Ballot Text”). The
County Registrar shall by mutual agreement provide for the performance of its duties in
accordance with Education Code section 5303.

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 County Registrar to use the abbreviation of the Full Ballot Text that is attached hereto
as **Exhibit A**.

Section 3. Voter Pamphlet. The County Registrar is hereby requested to reprint the
Full Ballot Text in its entirety in the voter information pamphlet to be distributed to voters
pursuant to section 13307 of the California Elections Code. In the event the Full Ballot Text is not reprinted in the voter information pamphlet in its entirety, the County Registrar 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 Santa Clara County Registrar of Voters at __________ 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 fifty-five percent (55%) of those voters voting on the proposition.

Section 5. Request to County Officers to Conduct Election. The County Registrar 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 6. Consolidation of Election and Canvass of Vote.

(a) Pursuant to section 15266(a) of the California Education Code, the election shall be consolidated with the election on November 6, 2012.

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

Section 7. Delivery of Order of Election to County Officers. The Clerk of the Board is hereby directed to deliver or cause to be delivered, no later than August 10, 2012, (which date is 88 days prior to the date set for the election), one copy of this Resolution to the County Registrar with the completed Tax Rate Statement (in substantially the form attached hereto as Exhibit C), completed and signed by the Superintendent or his designee, and shall file a copy of this Resolution with the Clerk of the Board of Supervisors of Santa Clara County.

Section 8. Ballot Arguments. The members of the Board and Superintendent and his designees are hereby authorized, but not directed, to prepare and file with the County Registrar a ballot argument in favor of the proposition contained in Section 1 hereof, within the time established by the County Registrar.

Section 9. Consultants. The District hereby retains the law firm of Dannis Woliver Kelley to serve as District bond counsel and Stone & Youngberg, a Division of Stifel Nicolaus, to provide bond underwriting services in connection with the bond election and potential bond issuance pursuant to the terms and conditions as described in the proposals and contracts on file with the Superintendent.

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, including amendments to the ballot measure text and Exhibits attached to this Resolution.

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

PASSED AND ADOPTED this day, August 9, 2012, by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

APPROVED:

Jorge González, President
Governing Board of Education

ATTEST:

Vincent C. Matthews, Ed.D
Superintendent and Secretary
Governing Board of Education
EXHIBIT A

SUMMARY OF BALLOT MEASURE

To improve local schools and support academic programs, prepare students for jobs, save money and improve teacher retention by upgrading technology, classrooms and science labs, improving school safety and security, upgrading energy and water systems to improve efficiency, paying off facility leases, and repairing, constructing, or equipping facilities, sites or classrooms, shall San Jose Unified School District issue **290 million dollars** in bonds at legal rates, with independent citizens’ oversight, annual financial audits and no funds for administrators’ salaries?
On May 17, 2012, the Board of Education of the San Jose Unified School District (the "District") adopted the OPPORTUNITY21: 2012-2017 Strategic Plan ("Opportunity21") to lay out its vision for the District’s educational program, with a focus on ensuring that all students are prepared to excel in 21st Century society. The Board believes that a bond measure will help ensure that the educational vision of Opportunity21 can be achieved over time and that all students have access to state-of-the-art educational facilities and that all schools in the District have up-to-date science labs, career training facilities, computers and learning technology and high quality teachers and staff are attracted and retained.

In order to continue providing equity for all students and improving education in all of the District’s schools, the Board’s priority is to complete repairs and upgrades that will benefit all of the District’s schools, including:

(i) Ensure that all schools are equipped with up-to-date computers, learning technology, and grade-level appropriate science labs and career training facilities so that students are prepared to excel in 21st Century society in keeping with the skills and learning outcomes identified in Opportunity21;

(ii) Complete basic and necessary repairs and upgrades to District schools to provide a safe, healthful learning environment for all students;

(iii) Upgrade classrooms and improve energy efficiency to save money that can be used to maintain quality academic programs and retain teachers;

(iv) Ensure that facilities are up to date and safe so that qualified teachers continue to want to teach in our schools;

(v) Reduce operating costs by acquiring, improving and/or installing more cost efficient energy systems, paying off Certificates of Participation/facility leases, and making other improvements.

Schools requiring renovation will be upgraded on a priority basis. By approval of the proposition set forth in Exhibit A as the Summary of Ballot Measure, by at least 55% of the registered voters voting thereon, the San Jose Unified School District shall be authorized to issue and sell bonds of up to $290,000,000 in aggregate principal amount to provide financing for the specific school facilities projects listed in the Bond Project List, subject to all of the accountability safeguards specified herein.

ACCOUNTABILITY MEASURES

The provisions in this section are included in this proposition in order that the voters and taxpayers of the District may be assured that their money will be spent 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 evaluated the facilities needs of the District, and determined 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.

**Independent Citizens’ Oversight Committee.** The Board of Education shall establish an independent Citizens’ Oversight Committee to ensure bond proceeds are expended only for the school facilities projects listed in the Bond Project List. The committee shall be established within 60 days of the date when the Board of Education enters the results of the election in its minutes.

**Annual Performance Audit.** The Board of Education shall conduct or cause to be conducted an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects listed in the Bond Project List.

**Annual Financial Audit.** The Board of Education shall conduct or cause to be conducted an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed in the Bond Project List.

**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 of Education 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, which is an integral part of this proposition, lists the specific projects the District proposes to finance with proceeds of the bonds. Specific projects will be performed as needed at the following school sites: Allen site, Allen at Steinbeck K-8; Almaden Elementary, Bachrodt Elementary, Booksin Elementary, Canoas Elementary, Carson Elementary, Cory site, Anne Darling Elementary, Empire Gardens Elementary, Erikson site, Galarza Elementary, Gardner Elementary, Grant Elementary, Graystone Elementary, Hacienda Elementary, Hammer site, Hester site, Los Alamitos Elementary, Lowell Elementary, Horace Mann Elementary, Olinder Elementary, Randol site, Reed Elementary, River Glen K-8, Schallenberger Elementary, Simonds Elementary, Terrell Elementary, Trace Elementary, Washington Elementary, Williams Elementary, Willow Glen Elementary, Burnett Middle Elementary, Castillero Middle Elementary, Bret Harte Middle, Herbert Hoover Middle, John Muir Middle, Willow Glen Middle, Gunderson High, Leland High, Lincoln High, Pioneer High, San José High, Willow Glen High, Broadway High, Downtown College Prep Charter School, Community Day School @ San Jose High School, Family Early Learning Center @ San Jose High School.

In developing the scope of projects to be funded, the Board of Education of the District evaluated the District’s facility needs, including safety issues, enrollment trends, energy efficiency, computer and information technology enhancements, facilities renovation and repair, and facilities and equipment needs to carry out Opportunity21 and provide 21st
Century learning environments. Schools requiring renovation will be upgraded on a priority basis to achieve equity among all schools in the District, including up-to-date science labs, computers, career training facilities, and learning technology so that all District students are prepared to excel in 21st Century society and so that high quality teachers and staff are attracted and retained.

In order to meet all identified facilities needs, the District intends to complete the following projects at District schools and facilities on an equitable basis, and where relevant, consistent with Opportunity21, using a combination of funding sources. It is anticipated that bond proceeds will contribute $290,000,000 to said total cost. Other anticipated sources include joint-use funds, development impact fees, and other available funds. The District will pursue state matching funds if and when they become available, and if received, they will be used for and mainly applied to projects on the Bond Project List or other high priority capital outlay expenditures as permitted in Education Code section 17070.63(c). However, no project is dependent on the receipt of additional funds. Unless otherwise noted, the projects on this list are authorized to be completed at each or any of the District’s school sites.

The projects to be funded by the bond include, without limitation, the following:

**Category 1: Preparing Students for 21st Century Jobs and Careers, and Improving Education in Core Academic Subjects through 21st Century Technology and Classroom Upgrades**

**Goal and Purpose:** To upgrade learning technology and provide teachers and students with current teaching, learning and research equipment and systems to achieve the goals of the OPPORTUNITY21:

- Upgrade, construct and equip science/technical vocational education and career training facilities to prepare students for future jobs
- Acquire and upgrade technology infrastructure, including, without limitation, computers, LCD projectors, portable interface devices, servers, switches, routers, modules, sound projection systems, phone system integration, local area network upgrades, document archiving, cabling infrastructure, laser printers, digital white boards, document projectors, upgrade voice-over-IP, call manager and network security/firewall, and other equipment, casework and software as needed
- Provide and repair up-to-date technology, data and wireless communications equipment
- Add, update and expand telecommunications, internet and network connections
- Add, upgrade and replace computers, hardware and software systems
- Add, upgrade and replace classroom instructional equipment
- Add, upgrade and replace electrical systems to support improved technology
- Establish programs to support regular and long term upgrades to technology systems, hardware, software and equipment
- Upgrade, repair or construct new classrooms and science facilities

**Category 2: Improving Energy Efficiency, Conserving Water and Constructing Other Capital Improvements to Save Money that Can Be Used to Help Retain Teachers and Protect Academic Programs**

**Goal and Purpose:** To reduce utility and other operating costs by making capital improvements to energy, water and utility systems, and consolidating facilities:
➢ Improve water and energy conservation by upgrading plumbing, renovating restrooms and replacing or renovating athletic facilities that are old, inefficient and dilapidated or approaching the end of their useful life
➢ Replace outdated and inefficient heating and ventilation systems
➢ Acquire and install energy efficiency systems, including purchasing solar energy generating equipment currently operating on District property under a power purchase agreement, to reduce energy/utility costs and return savings to educational programs

Category 3: Keeping Schools Clean, Safe, Well Maintained and in Good Condition through Basic Upgrades and Cost Saving Measures to Protect Facility Investments

Goal and Purpose: To provide clean, safe and well maintained facilities to support educational programs, the District will undertake cost saving measures to free up funds for the maintenance, repair, upgrade or renovation of aging buildings, labs and classrooms, to improve school site safety and to pay other general fund expenses:

➢ Replace and repair leaking roofs
➢ Upgrade earthquake and safety equipment, including phone, fire alarm, communications systems, and security cameras
➢ Repair, replace, or upgrade inefficient and aging heating, cooling and plumbing systems
➢ Repair outdated electrical systems and wiring to improve efficiency and safety
➢ Make safety improvements on and around school sites, including improved fencing, walkways and overhangs, better access for people with disabilities, and traffic circulation and parking improvements
➢ Upgrade and perform essential safety repairs and improvements on classrooms, science laboratories, food services facilities, student services facilities and other school and athletics facilities
➢ Repair, replace, or upgrade inefficient and aging food service facilities, multiuse rooms, and performing arts buildings
➢ Pay off facility leases and certificates of participation
➢ Renovate school restrooms
➢ Repair or replace turf at District athletic facilities for student safety and water conservation
➢ Upgrade, repair or replace playground equipment, asphalt and turf for student safety and improved access for people with disabilities
➢ Replace drinking fountains, trash receptacles, enclosures and equipment
➢ Renovate, repair, paint and improve school campuses, shade structures and grounds
➢ Establish programs to support regular and long term upgrades and replacement of outdated facilities, equipment, and grounds and to support enrollment growth by creating additional classrooms and/or re-opening sites

Listed repairs, improvements, rehabilitation projects and upgrades will be completed as needed, with priority given to facilities that have not been renovated. Each project is assumed to include its share of costs of the election and bond issuance, architectural, engineering, and similar planning costs, construction management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the projects listed above, the Bond Project List also includes the acquisition of instructional, maintenance and operational furniture and equipment, necessary improvements to district administrative facilities and costs to meet charter school housing requirements, payment of the costs of preparation of all facilities planning and project implementation studies,
feasibility and assessment reviews, master planning, environmental studies, and temporary housing for dislocated programs or activities caused by construction projects.

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. Necessary site preparation/grading/restoration may occur in connection with new construction, modernization, renovation or remodeling, including ingress and egress, removing, replacing or installing irrigation, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, leases, licenses, or rights of way to the property. Proceeds of the bonds may be used to pay or reimburse the District for the cost of staff when performing work on or made necessary by the implementation of bond projects.

**ADDITIONAL SPECIFICATIONS**

*No Administrator Salaries.* Proceeds from the sale of Bonds authorized by this proposition shall be used only for purposes identified on the Bond Project List, including the construction, reconstruction, rehabilitation, or replacement of school facilities, the furnishing and equipping of said school facilities, the furnishing and equipping of said school facilities, and/or the acquisition or lease of real property for said school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

*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 more than 25 years (if issued pursuant to the provisions of the California Education Code) or 40 years (if issued pursuant to the provisions of the California Government Code) from the date borne by that bond.
An election will be held in the San Jose Unified School District (the "District") on November 6, 2012, to authorize the sale of up to $290,000,000 in bonds of the District to finance school facilities as described in the proposition. If the bonds are approved, the District expects to sell the bonds in several series over time. 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 tax rate 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 rate 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 $0.02880 per $100 ($28.80 per $100,000) of assessed valuation in fiscal year 2013-14.

2. The best estimate of the tax rate 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 $0.02880 per $100 ($28.80 per $100,000) of assessed valuation in fiscal year 2018-19.

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 this statement, is $0.02880 per $100 ($28.80 per $100,000) of assessed valuation in fiscal year 2013-14.

Voters should note that these estimated tax rates are based on the assessed value of taxable property in the District as shown on the official tax rolls of Santa Clara County, not on the property’s market value. 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 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 estimates are based upon the District’s projections and are not binding upon the District. The dates of sale and the amount of bonds sold at any given time will be determined by the District based on the 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 Santa Clara County Assessor in the annual assessment and the equalization process.

Dated: __________, 2012

Vincent C. Matthews, Ed.D. Superintendent
San Jose Unified School District