

RESOLUTION NO. 19-42

RESOLUTION OF THE BOARD OF EDUCATION OF BREA OLINDA UNIFIED SCHOOL DISTRICT ORDERING AN ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER

WHEREAS, the Board of Education (the "Board") has determined that in order to continue high quality education at our local neighborhood schools within the Brea Olinda Unified School District (the "District") our schools require improved facilities and equipment and safe and secure classrooms; and

WHEREAS, the District has provided local students with a high-quality education for over a century; and

WHEREAS, strong local schools help improve property values and the quality of life in our community; and

WHEREAS, many of our schools were built decades ago and aging facilities require basic health and safety repairs; and

WHEREAS, deteriorating sewer systems and plumbing, and water main breaks consistently cause flooding at our school sites and require significant upgrades; and

WHEREAS, leaky roofs, inadequate electrical systems and outdated heating, ventilation and air conditioning systems require repairs and updates; and

WHEREAS, outdated classrooms, labs and career technical education facilities need to be modernized to support science, technology, engineering and math instruction to prepare students for college and careers; and

WHEREAS, the District has conducted a comprehensive assessment of school facilities needs through the facility master planning process and identified the most urgent and high-priority facilities needs impacting student safety and core academic instruction; and

WHEREAS, the District received community input from parents, teachers, staff and community members about school facilities needs through the facilities master planning process; and

WHEREAS, the State of California provides very limited funding for school facilities improvements and local bond measures are one of the only mechanisms available to Districts to locally fund periodic, significant upgrades and improvements to school facilities; and

WHEREAS, this measure requires a clear system of fiscal accountability, including independent audits and a citizens' oversight committee, to ensure funds are spent as promised; and

WHEREAS, a local measure would provide funds that cannot be taken away by the State to repair, upgrade and modernize school facilities; and

WHEREAS, the District received a report on June 23, 2016 from the Orange County Grand Jury entitled "Dealing with Asbestos in Orange County Public Schools" which identified over two-thirds of Orange County's public schools containing asbestos, and recommends all school districts in Orange County to "remove all asbestos from schools and other facilities in their district within twenty years or sooner and report progress on its plan annually at its board meetings"; and

WHEREAS, the District has identified Encapsulated Asbestos at Arovista, Country Hills, Fanning, Laurel, Mariposa, and Brea Junior High School and does not have funding to remove it; and

WHEREAS, the bond measure provided for in this resolution is subject to strict accountability requirements, including a public expenditure plan, independent annual audits, review of all spending by an Independent Citizens' Oversight Committee, and the requirement that no money can be spent on administrator salaries or pensions and that all funds be used locally to improve neighborhood schools; and

WHEREAS, the Board and District staff have solicited stakeholder and community input on school priorities from parents, teachers, staff, the community and civic leaders; 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 that 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 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 enforced 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, 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 relating to the election, including any ballot pamphlet prepared, sponsored, or distributed by the District; and

WHEREAS, in an effort to increase competition and maintain fairness among all potential contractors, reduce costs of construction, and efficiently apply taxpayer dollars, the Board, to the extent doing so is not prohibited by law (including the doctrines of legislative entrenchment and the single subject rule) and does not eliminate any eligibility for potential State or federal funding or financial assistance, as part of the bond proposition, desires to provide that the District will not build and maintain bond-financed facilities under a project labor agreement (a "PLA"); and

WHEREAS, the Board 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, March 3, 2020, and to request the Orange County Registrar of Voters to perform certain election services for the District;

NOW THEREFORE, THE BOARD OF THE BREA OLINDA 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 Orange 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 \$123 million (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. The District's Superintendent, or a designee thereof, is hereby authorized and directed to make any changes to the text of this Resolution, the measure, or to the abbreviated form of the measure, as may be convenient or necessary to comply with the intent hereof, the requirements of election officials, and requirements of law.

Section 2. That the date of the election shall be March 3, 2020.

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 the safety, class size reduction, classroom, educational, and information technology needs of the District as well as the importance of the projects to student achievement and high quality instruction;

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

(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 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 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 (1) 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 parent-teacher organization (e.g. 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) Inspect District facilities and grounds to ensure that Proposition 39 bond proceeds are expended in compliance with applicable law;

(ii) Receive and review copies of all deferred maintenance proposals or plans developed by the District related to bond funded projects;

(iii) Receive quarterly project updates from the District, including project plan changes;

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

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

(vi) Receive from the Board, within three months of the District receiving the above-described 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 Board will develop and implement a financially responsible, accountable and transparent bond program, conducted in accordance with the following principles of the Orange County Taxpayers Association:

(a) there is a clear need to build or modernize facilities, documented by the District's Bond Project List that identifies specific problems to be corrected and specific projects to be completed;

(b) bond funds will not be used to pay for computers, vehicles, technology items, or other equipment that will become obsolete while the related bond debt is outstanding, in accordance with federal tax law requirements;

(c) the District will maintain a reserve of at least 2%-3% of its operating funds for maintenance of facilities;

(d) the District will set aside funds (from sources other than general obligation bond proceeds) equivalent to 2%-4% of the principal amount of the bonds issued, for deferred maintenance of construction projects;

(e) the District will use the services of an independent registered municipal advisor when issuing bonds;

(f) bonds will be issued via competitive sale if the District's credit rating is at least in the single "A" category, and by a selected underwriter for a negotiated sale via request for proposals if the District's credit rating is below the single "A" category;

(g) the bond measure states clearly that the District does not plan to build and maintain its bond-financed facilities under a project labor agreement and, if the District determines in the future to enter into such an agreement, it will conform such agreement to the current criteria of the Orange County Taxpayers Association;

(h) the District will adopt a "no pay to play" policy consistent with the guidelines of the Orange County Taxpayers Association, requiring disclosure of certain contributions in favor of a District bond measure or candidate campaign, or to a District foundation supporting such a campaign, by persons who obtain bond funded contracts;

(i) the District will ensure that (i) training approved by the Orange County Taxpayers Association is made available to the Citizens' Oversight Committee and District employees working therewith, (ii) all documents received and reports issued by the Citizens' Oversight Committee be a matter of public record and be made available to the public on an internet website maintained by the District, (iii) the District will place a prominently displayed and clearly marked link to all bond information and citizens' oversight material on the homepage of the District's website; and

(j) the taxpayer organization representative appointed to the Citizens' Oversight Committee will be a member of a bona fide Orange County countywide taxpayer association; and

any such individual representing themselves as a member of the Orange County Taxpayers Association shall be approved by the Orange County Taxpayers Association.

Section 5. That the Board further declares its intent to issue Bonds and fund projects in accordance with the following policies:

- (a) Each issue of Bonds will have a maximum aggregate annual rate of interest of not-to-exceed 4%;
- (b) No Bonds shall be issued in the form of capital appreciation bonds; and
- (c) Any construction management contract funded from proceeds of the Bonds shall be bid through a competitive process, with at least three vendors solicited.

Section 6. 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 7. That the authority for the specifications of this election order is contained in Section 5322 of the Education Code.

Section 8. That the Orange County Registrar of Voters and the Orange County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on March 3, 2020, within the District. As provided in Elections Code Section 10403, the District acknowledges that the consolidation election will be conducted in the manner described in Elections Code Section 10418.

Section 9. That the Secretary of the Board is hereby directed to deliver a certified copy of this Resolution to the Orange County Registrar of Voters no later than December 6, 2019, including the tax rate statement attached hereto as Exhibit C, containing the information required by Elections Code Section 9400 *et seq.*, completed and signed by the Superintendent of the District, and shall file a copy of this Resolution with the Clerk of the Board of Supervisors of the County.

Section 10. That Bonds issued pursuant to Education Code Section 15264 *et seq.* 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 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 11. 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 Orange County Registrar of Voters by the established deadlines.

Section 12. Pursuant to Education Code Section 5303 and Elections Code Section 10002, the Board of Supervisors of Orange 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 Orange 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 Education Code Section 5363 and Elections Code Section 12112.

ADOPTED, SIGNED AND APPROVED this 18th day of November, 2019.

BOARD OF EDUCATION OF THE BREA OLINDA
UNIFIED SCHOOL DISTRICT

By _____
Board President

Attest:

Secretary

REGISTRAR OF VOTING
COUNTY OF CALIFORNIA

19 DEC -3 AM 1:06

STATE OF CALIFORNIA)
) ss
ORANGE COUNTY)

I, Brad Mason, Ed.D., do hereby certify that the foregoing is a true and correct copy of Resolution No. 19-42, which was duly adopted by the Board of Education of the Brea Olinda Unified School District at the meeting thereof held on the 18th day of November, 2019, and that it was so adopted by the following vote:

AYES: Nicole Colon, Carrie Flanders, Keri Kropke, Gail Lyons, Paul Ruiz

NOES: None

ABSENT: None

ABSTENTIONS: None

By _____
Secretary

19 DEC -3 AM 1:06
REGISTRAR OF VOTING
COUNTY OF ORANGE

EXHIBIT A

"To repair/replace leaky roofs, deteriorating/inadequate plumbing/sewer/electrical systems, improve access to computers/technology; repair/construct/acquire/modernize/equip classrooms/labs/restrooms/school facilities; and make health/safety improvements; shall the Brea Olinda Unified School District measure authorizing \$123,000,000 of bonds at legal rates, levying approximately 4.9¢ per \$100 assessed value (averaging \$6,700,000 annually) while bonds are outstanding, be adopted, with independent audits, citizens' oversight, no money for administrators' salaries and no money taken by the State?"

Bonds – Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE BREA OLINDA UNIFIED SCHOOL DISTRICT BOND MEASURE ELECTION MARCH 3, 2020

The following is the full proposition presented to the voters by the Brea Olinda Unified School District.

"To repair/replace leaky roofs, deteriorating/inadequate plumbing/sewer/electrical systems, improve access to computers/technology; repair/construct/acquire/modernize/equip classrooms/labs/restrooms/school facilities; and make health/safety improvements; shall the Brea Olinda Unified School District measure authorizing \$123,000,000 of bonds at legal rates, levying approximately 4.9¢ per \$100 assessed value (averaging \$6,700,000 annually) while bonds are outstanding, be adopted, with independent audits, citizens' oversight, no money for administrators' salaries and no money taken by the State?"

A site by site analysis was conducted to identify District-Wide facility projects. The estimated costs of these projects are more than \$299 million dollars. Projects will be prioritized by the Brea Olinda Unified School District Administration and Board of Education as bond proceeds are received.

Areas of need include:

- Repairs/Basic Health & Safety Improvements
- 21st Century Learning/Classroom Renovation and Modernization
- School Facility Repairs & Upgrades/Quality School Projects

As further described in the Bond Project List below, the Board of Education, among other things, desires to:

- repair/upgrade outdated classrooms, leaky roofs, bathrooms/plumbing/electrical wiring
- meet handicap accessibility/earthquake safety requirements
- remove asbestos/hazardous materials
- upgrade libraries, science labs, technology
- repair/construct/acquire facilities/equipment

BOND AUTHORIZATION

By approval of this proposition by at least 55% of the registered voters voting on the proposition, the Brea Olinda Unified School District (the "District") shall be authorized to issue and sell bonds of up to \$123,000,000 in aggregate principal amount to provide financing for the specific school facilities projects listed under the heading entitled "BOND PROJECT LIST" below (the "Bond Project List"), subject to all of the accountability safeguards specified below.

ACCOUNTABILITY SAFEGUARDS

This measure requires strict taxpayer protections to ensure funds are spent appropriately. A clear system of accountability is required, including a Citizens' Oversight Committee and independent audits. All money raised by the measure will stay local to support Brea Olinda Unified School District schools — no money can be taken away by the State. By law, no funds can be used for administrators' salaries or benefits.

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 to address specific facilities needs of the District, all in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Sections 15264 and following of the California Education Code (the "Education Code")).

Evaluation of Needs. The Board of Education of the District (the "Board") has conducted a thorough assessment of all facilities in order to evaluate and address the facilities needs of the District at each campus and facility, and to determine which projects to finance from a local bond at this time. The Board hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List.

Limitations on Use of Bonds. 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.

Independent Citizens' Oversight Committee. The Board shall establish an independent citizens' oversight committee (pursuant to Education Code Section 15278 and following), 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 results of the election appear in the minutes of the Board. In accordance with Section 15282 of the Education Code, the citizens' oversight committee shall consist of at least seven members and shall include a member active in a business organization representing the business community located within the District, a member active in a senior citizens' organization, a member active in a bona fide taxpayers' organization, a member that is a parent or guardian of a child enrolled in the District, and a member that is both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization. No employee or official of the District and no vendor, contractor or consultant of the District shall be appointed to the citizens' oversight committee.

Annual Performance Audits. The Board shall conduct 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. The results of these audits shall be made publicly available and shall be submitted to the citizens' oversight committee in accordance with Section 15286 of the Education Code.

Annual Financial Audits. The Board shall 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 the Bond Project List. The results of these audits shall be made publicly available and shall be

submitted to the citizens' oversight committee in accordance with Section 15286 of the Education Code.

Special Bond Proceeds Account: Annual Report to Board. Upon approval of this proposition and the sale of any bonds approved, the Board 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 of the District shall cause a report to be filed with the Board no later than January 1 of each year, commencing January 1, 2021, stating (a) the amount of bond proceeds received and expended in the relevant annual period, and (b) 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 of the District shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

Project Labor Agreements. In an effort to increase competition and maintain fairness among all potential contractors, reduce costs of construction, and efficiently apply taxpayer dollars, the District, to the extent doing so is not prohibited by law (including the doctrines of legislative entrenchment and the single subject rule) and does not eliminate any eligibility for potential State or federal funding or financial assistance, hereby declares that it shall not build and maintain bond-financed facilities under a project labor agreement.

FURTHER SPECIFICATIONS

Joint-Use Projects. The District may enter into agreements with other public agencies or nonprofit organizations for joint use of school facilities financed with the proceeds of the bonds in accordance with Education Code Section 17077.42 (or any successor provision). The District may seek State grant funds for eligible joint-use projects as permitted by law, and this proposition hereby specifies and acknowledges that bond funds will or may be used to fund all or a portion of the local share for any eligible joint-use projects identified in the Bond Project List or as otherwise permitted by California State regulations, as the Board shall determine.

Single Purpose. All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to Education Code Section 15100, 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 California Government Code Section 53410.

Other Terms of the Bonds. When sold, the bonds shall bear interest at an annual rate not exceeding the statutory maximum, and that interest shall 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 the statutory maximum number of years from the date borne by that bond.

BOND PROJECT LIST

This Bond Project List describes the specific projects the District proposes to finance with proceeds of the bonds, shall be considered a part of the bond proposition and shall be reproduced in any official document required to contain the full statement of the bond proposition. Listed projects will be completed as needed at a particular school or facility site according to Board-established priorities, and the order in which such projects appear on the Bond Project List is not an indication of priority for funding or completion. Any authorized repairs shall be capital expenditures. The Bond Project List does not authorize non-capital expenditures. This Bond Project List is the product of a

District-wide assessment of facilities, consultations with stakeholders, and the District's 2018 Facilities Master Plan, which is incorporated herein by reference. Each project is assumed to include its share of costs of the bond issuance, construction-related costs, such as project and construction management, architectural, engineering, inspection and similar planning and testing costs, demolition and interim housing costs, legal, accounting and similar fees, costs related to the independent annual financial and performance audits, a contingency for unforeseen design and construction costs, environmental studies (including environmental investigation, remediation and monitoring), design and construction documentation, temporary housing of dislocated District activities caused by construction projects, and other costs incidental to and necessary for completion of the listed projects (whether the related work is performed by the District or third parties). 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 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 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 (regardless of whether bond funds are available).

Approval of this proposition does not guarantee that the proposed projects that are the subject of this proposition will be funded beyond the local revenues generated by this proposition. The District's receipt of matching State funds will be subject to appropriation by the Legislature and approval of a statewide bond measure.

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 projects may be delayed or may not be undertaken.

The specific projects authorized to be financed with proceeds of the bonds under this proposition are as follows:

SCHOOL FACILITIES PROJECTS TO BE FUNDED FROM BOND PROCEEDS

REPAIRS/BASIC HEALTH & SAFETY IMPROVEMENTS

Project Listing

Brea Olinda Unified School District has provided local students with an excellent education for over a century. However, since many of our schools were built decades ago, our facilities are aging and require basic health and safety repairs to ensure safe and secure learning environments for all students throughout District schools.

- Installing and upgrading security features such as adding cameras and alarm systems to all of our campuses, and evaluating/installing/modifying fencing and access control measures;
- Replacing outdated and deteriorating restrooms, plumbing and sewer systems;

- Student drop off zone/student safety upgrades;
- Seismic retrofitting;
- Asbestos removal at school sites, including without limitation Arovista, Country Hills, Fanning, Laurel, Mariposa schools and Brea Junior High School;
- Updating fire safety systems, intercom/emergency communications systems, and adding portable assistive listening systems in classrooms and instructional areas;
- Handicap accessibility, Americans with Disabilities Act (ADA) access upgrades;
- Updating site electrical systems and internal power systems to bring up to current code regulations;
- Playground safety/equipment upgrades;

21st CENTURY LEARNING/CLASSROOM RENOVATION & MODERNIZATION

Project Listing

Outdated classrooms, labs and career technical education facilities also need to be modernized to provide a high-quality education. Upgraded school facilities would support the science, technology, engineering and math education students need to be prepared for college and careers. Projects in this category may be undertaken at any school site.

- Provide necessary infrastructure and instructional technology for all nine schools;
- Provide upgrades to wireless infrastructure and internet access and support;
- Additional classroom technology equipment;
- Classroom audio amplification to assist for teachers in communication in the classroom;
- Energy efficiencies and environmental upgrades (lighting, windows, heating/ventilation/air conditioning, energy management systems, insulation);
- Casework, cabinetry, counters and storage;
- Modern flexible furniture to promote collaboration and provide up-to-date learning environments;
- Replace/renovate/modernize aging cafeteria and multi-purpose rooms (floors, ceilings, walls, wiring, lighting, resurfacing stages, furniture, etc.);
- Make improvements to Brea Olinda High School Performing Arts Center,
- Update/upgrade physical education facilities at Brea Junior High School and Brea Olinda High School;

SCHOOL FACILITY REPAIRS & UPGRADES/QUALITY SCHOOLS PROJECTS

Project Listing

The District has engaged in a comprehensive facilities master planning process to identify the most urgent and high-priority facilities improvement needs at our schools. Priority improvements include modernizing outdated classrooms and school facilities, safety and security updates, seismic upgrades and school drop-off and pick up area improvements. Additionally, some new construction is needed to provide equity in District schools, address portable classrooms that need to either be replaced or rebuilt with permanent buildings, and to expand needed facilities at all school sites.

- Restoring deteriorating/leaking roofs at all nine campuses and auxiliary buildings;
- Replacing aging and damaged fencing;
- Painting exteriors/interiors;
- Heating/Ventilation/Air Conditioning (new units to replace aging units, many of which are over 30 years old);
- Reinforcing and repairing eroding hillsides;
- Address deteriorating and potentially unsafe concrete and asphalt throughout the District;
- Replacing carpeting/flooring District-wide.
- Building classrooms at Brea Junior High School housing STEAM focused math, science, arts and technology classes;
- Construct and renovate various physical education facilities district-wide;
- Renovate Performing Arts Center at Brea Junior High School and construct music and education facilities;
- Upgrade classrooms;
- Remove or replace portables and construct modern classrooms and facilities at school sites;
- Upgrade school office entrances at multiple schools for improved student safety and parent access;
- Construct a Multi-Purpose Room at Fanning Elementary School;
- Add buildings to accommodate growth in Kindergarten, Transitional Kindergarten, Special Education, and Child Development classes throughout the District;
- Construct classrooms and facilities at Brea Olinda High School, to house career technical education (CTE), Music, and various physical education and athletic programs.

EXHIBIT C

TAX RATE STATEMENT

An election will be held in the Brea Olinda Unified School District (the "District") on March 3, 2020 to authorize the sale of up to \$123,000,000 in general obligation bonds. The following information is submitted in compliance with Sections 9400-9406 of the Elections Code of the State of California. Such information is based upon the best estimates and projections presently available from official sources, upon experience within the District, and other demonstrable factors.

The following information is provided pursuant to Elections Code Section 9401:

1. The best estimate of the average annual tax rate that would be required to fund this bond issue over the entire duration of the bond debt service, based on estimated assessed valuations available at the time of filing of this statement, is 4.4¢ per \$100 (\$43.92 per \$100,000) of assessed valuation. It is currently expected that the tax will be collected until fiscal year 2042-43.
2. The best estimate of the highest tax rate that would be required to fund this bond issue, for each year that bonds are outstanding, based on estimated assessed valuations available at the time of filing this statement, is 4.9¢ per \$100 (\$49.00 per \$100,000) of assessed valuation, which is estimated to apply in fiscal year 2020-21.
3. The best estimate of total debt service, including principal and interest, that would be required to be repaid if all the bonds are issued and sold will be approximately \$155.3 million.

Voters should note that these estimates are based on projections derived from information obtained from official sources, and are based on the assessed value (not market value) of taxable property on the County's official tax rolls. Property owners should consult their own property tax bills and tax advisors to determine their property's assessed value and any applicable tax exemptions.

The attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only, which amounts are not maximum amounts and durations and are not binding upon the District. The actual debt service, tax rates and the years in which they will apply may vary depending on the timing of bond sales, the par amount of bonds sold at each sale and actual increases in assessed valuations. The timing of the bond sales and the amount of bonds sold at any given time will be determined by the District based on the need for project funds and other considerations. Actual assessed valuations will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process.

Brad Mason, Superintendent
Brea Olinda Unified School District

19 DEC -3 AM 10:07
REGISTERED
COUNTY OF ORANGE