

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY

DEPT: Board of Supervisors

BOARD AGENDA #: *A-2

AGENDA DATE: July 19, 2016

SUBJECT:

Approval to Consolidate with the Presidential General Election to be Held on Tuesday, November 8, 2016, Two General Obligation School Bond Elections for the Hughson Unified School District

BOARD ACTION AS FOLLOWS:

No. 2016-367

On motion of Supervisor Chiesa, Seconded by Supervisor Withrow
and approved by the following vote.

Ayes: Supervisors: O'Brien, Chiesa, Withrow, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: DeMartini

Abstaining: Supervisor: None


1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

ATTEST: 
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Board of Supervisors

Urgent Routine



BOARD AGENDA #: *A-2

AGENDA DATE: July 19, 2016

CEO CONCURRENCE: _____

4/5 Vote Required: Yes No

SUBJECT:

Approval to Consolidate with the Presidential General Election to be Held on Tuesday, November 8, 2016, Two General Obligation School Bond Elections for the Hughson Unified School District

STAFF RECOMMENDATIONS:

1. Approve the consolidation of two General Obligation Bond Elections for the Hughson Unified School District with the Presidential General Election to be held on Tuesday, November 8, 2016.

CONTACT PERSON:

Elizabeth A. King, Clerk of the Board

Phone number: 209-525-4494



UNIFIED SCHOOL DISTRICT

Tradition With The Future In Mind

Brian Beck, Superintendent

BOARD OF TRUSTEES: Rick Applegate Cindy Cunningham-Gipp Randall Heckman Jim Hudelson Daniel Sexton

July 14, 2016

Lee Lundrigan
Clerk Recorder & Registrar of Voters
Stanislaus County
1021 I Street, Suite 301
Modesto, California 95354
Phone: (209) 525-5211

Elizabeth A. King
Clerk of the Board of Supervisors
Stanislaus County
1010 10th Street, Suite 6700
Modesto, California 95354
Phone: (209) 525-4494

BOARD OF SUPERVISORS
2016 JUL 14 A 10:02

Via hand delivery

Re: Hughson Unified School District
 General Obligation Bond Elections (55%) - November 8, 2016

Dear Ms. Lundrigan and Ms. King:

Enclosed are two Resolutions adopted by the Board of Trustees of the Hughson Unified School District ordering two general obligation bond elections for November 8, 2016. These election are being ordered under Proposition 39 and require a 55% vote for passage.

One Resolution calls a bond election within the entire area of Hughson Unified School District in the amount of \$2,200,000.

The other Resolution calls a bond election within School Facilities Improvement District No. 1 (SFID No. 1) of the Hughson Unified School District in the amount of \$3,200,000. SFID No. 1 consists of the entire area of Hughson Unified School District except the areas covered by the Roberts Ferry Union School District, the Hickman Community Charter School District and the Gratton Elementary School District.

In order to comply with Proposition 39 and related statutes the Board has adopted full ballot texts to be printed in the ballot pamphlet and abbreviated forms of measure (Appendix A and Appendix B to each Resolution).

The Board of Trustees has requested consolidation of these elections with others occurring on the same day. We are submitting these resolutions to you in your capacities as the Elections Official, and as the Clerk of the Board of Supervisors for purposes of consolidation pursuant to Elections Code Section 10403.

Also enclosed herewith are the originally signed Tax Rate Statements to appear in the Sample Ballot, as required by Elections Code 9400 and following.

Please do not hesitate to contact me or our bond counsel, Bill Kadi at 415-533-6983 with any questions on the attached.

Yours very truly,

Brian Beck
Superintendent, Hughson Unified School District

RESOLUTION NO. 16/17:02

RESOLUTION OF THE BOARD OF TRUSTEES OF THE HUGHSON UNIFIED SCHOOL DISTRICT ORDERING AN ELECTION TO AUTHORIZE THE ISSUANCE OF SCHOOL BONDS IN SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 1, ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS OCCURRING ON NOVEMBER 8, 2016

WHEREAS, Chapter 2 (commencing with section 15300) of Part 10 of Division 1 of Title 1 of the California Education Code (the "**Law**") authorizes school districts to form school facilities improvement districts consisting of a portion of the territory within the school district and permits the conduct of a bond election and the issuance of general obligation bonds for a school facilities improvement district following voter approval;

WHEREAS, on July 14, 2016, the Board of Trustees (the "**Board**") of Hughson Unified School District (the "**District**") adopted a "Resolution Ordering Formation of School Facilities Improvement District No. 1 of the Hughson Unified School District," pursuant to which the Board ordered the formation of School Facilities Improvement District No. 1 of the Hughson Unified School District (the "**Improvement District**");

WHEREAS, Section 15340 of the Law provides that the Board may provide for and call a special bond election within the Improvement District pursuant to Chapter 1 (commencing with Section 15100) of the Education Code and, if applicable, Chapter 1.5 (commencing with Section 15264) of the Education Code for the approval of a proposition of whether an indebtedness of the Improvement District shall be incurred through the issuance of bonds for the Improvement District;

WHEREAS, pursuant to the Law, such bonds would be deemed to be bonds of the District issued for the benefit of the land within the Improvement District;

WHEREAS, in the judgment of the Board, it is advisable to call an election to submit to the electors of the Improvement District the question whether bonds of the District shall be issued and sold on behalf of the Improvement District for the purpose of raising money for the acquisition and improvement of real property, and the furnishing and equipping of school facilities in the Improvement District; and

WHEREAS, as a result of the approval of Proposition 39 on November 7, 2000, Article XIII A Section 1 paragraph (b) of the California Constitution ("**Article XIII A**") provides an exception to the limit on ad valorem property taxes on real property for bonded indebtedness incurred by a school district approved by fifty-five percent (55%) of the voters of the Improvement District voting on the proposition; and

WHEREAS, the Board is specifically authorized, upon approval by a two-thirds vote of the Board, to pursue the authorization and issuance of bonds by a fifty-five percent (55%) vote of the electorate on the question whether bonds shall be issued and sold for specified purposes, pursuant to Education Code Section 15264 *et seq.* (the "**Act**"); 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 8, 2016, and to request the Registrar of Voters in Stanislaus County ("**County**") to perform certain election services for the District; and

NOW, THEREFORE, THE BOARD OF THE HUGHSON UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Call for Election. The Board hereby orders an election and submits to the electors of the Improvement District the question of whether general obligation bonds of the District shall be issued and sold on behalf of the Improvement District in the maximum principal amount of \$3,200,000 for the purpose of financing the acquisition and improvement of real property, and the furnishing and equipping of school facilities in the Improvement District, and paying costs incident thereto, as set forth more fully in the ballot proposition approved pursuant to Section 3. This Resolution constitutes the order of the District to call such election.

Section 2. Election Date. The date of the election shall be November 8, 2016, and the election shall be held solely within the boundaries of the Improvement District.

Section 3. Purpose of Election; Ballot Proposition. The purpose of the election shall be for the voters in the Improvement District to vote on a proposition, a full copy of which is attached hereto and marked Exhibit "A", containing the question of whether the District shall issue the Bonds for the purpose stated therein, together with the accountability requirements of Article XIII A and Government Code Section 53410 and the requirements of Section 15272 of the Act. As required by Elections Code Section 13247, the abbreviated form of the measure to appear on the ballot is attached hereto and marked as Exhibit "B". The Superintendent, President of the Board or their designees are hereby authorized and directed to make any changes to the text of the proposition or this resolution as required to conform to any requirements of Article XIII A, the Act or the requirements of the County.

Section 4. Authority for Election. The authority for ordering the election is contained in Section 15264 *et. seq.* of the Education Code and Section 1 paragraph (b) subsection (3) of Article XIII A. The authority for the specification of this election order is contained in Section 5322 of the Education Code.

Section 5. School Facilities Projects. As required by Article XIII A, the Board hereby certifies that it has evaluated safety, class size reduction, enrollment growth and information technology needs in developing the list of school facilities projects set forth on Exhibit A.

Section 6. Covenants of the Board upon Approval of the Bonds by the Electorate. As required by Article XIII A, Section 15278 of the Act, and Government Code Section 53410 in the event fifty-five percent (55%) of the voters voting in the District approve of the Bonds, the Board shall:

(1) conduct an annual, independent performance audit to ensure that the funds have been expended only on the projects listed in Exhibit A;

(2) conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for the school facilities projects listed in Exhibit A; and

(3) establish and appoint members to an independent citizens' oversight committee in accordance with Sections 15278, 15280 and 15282 of the Act.

(4) apply the bond proceeds only to the specific purposes stated in the ballot proposition.

(5) cause creation of accounts into which bond proceeds shall be deposited.

(6) cause the preparation of an annual report pursuant to Government Code Sections 53410 and 53411.

Section 7. Delivery of this Resolution. The Clerk of the Board is hereby directed to send a copy of this Resolution to the County Superintendent of Schools of the County, the Registrar of Voters of the County (the "County Registrar") and the County Clerk of the Board of Supervisors of the County. The County Registrar is hereby requested to print the Full Text of Measure set forth on Exhibit A hereto, in the ballot materials.

Section 8. Consolidation of Election. The County Registrar and the County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 8, 2016, within the District.

Section 9. Ballot Arguments; Tax Rate Statement. Any and all members of this Board are hereby authorized to act as an author of any ballot argument prepared in connection with the election, including a rebuttal argument. The Superintendent, President of the Board, or their designees, are hereby authorized to execute any Tax Rate Statement or other document and to perform all acts necessary to place the bond measure on the ballot.

Section 10. Election and Bond Services. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of the 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 the County in full upon presentation of a bill, 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 Section 9401 of the Elections Code).

Section 11. Effective Date. This resolution shall take effect on and after its adoption.

PASSED AND ADOPTED this 14th day of July, 2016 by the following vote:

(Requires 4 votes for adoption)

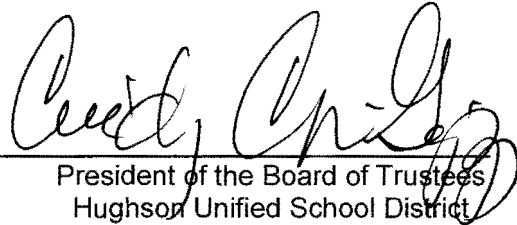
Member Rick Applegate: aye

Member Cindy Cunningham-Gipp: aye

Member Randall Heckman: absent

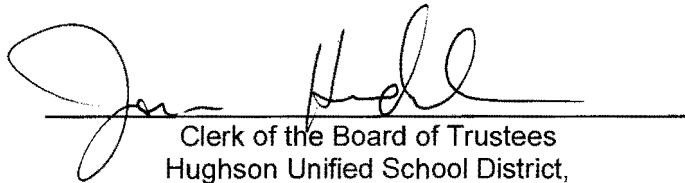
Member Jim Hudelson: aye

Member Daniel Sexton: aye



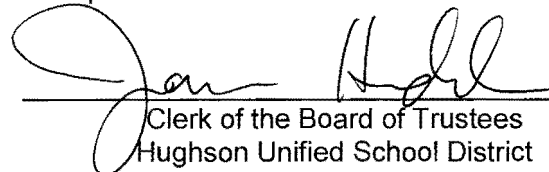
President of the Board of Trustees
Hughson Unified School District

ATTEST:



Clerk of the Board of Trustees
Hughson Unified School District,

I, Jim Hudelson, Clerk of the Board of Trustees of Hughson Unified School District, California, do hereby certify that the foregoing is a full, true and correct copy of the Resolution passed and adopted by said Board of Trustees at a meeting on the 14th day of July, 2016, and that the minutes of said Board of Trustees shows that four (4) members of said Board voted for and zero (0) members of said Board voted against the adoption of said Resolution and the said Resolution is now spread upon the minutes of said Board.



Clerk of the Board of Trustees
Hughson Unified School District

EXHIBIT A

BALLOT MEASURE FULL TEXT OF MEASURE

This proposition may be known and referred to as the Hughson Unified School District School Facilities Improvement District No. 1 General Obligation Bond of 2016, or Measure _____.

BOND AUTHORIZATION

By approval of this proposition by at least 55% of the registered voters voting on the proposition, the Hughson Unified School District (the "District") shall be authorized to issue and sell bonds of up to \$3.2 million in aggregate principal amount to provide financing for the specific school facilities projects listed in the Bond Project List below, and in order to qualify to receive State matching grant funds, subject to all of the accountability safeguards specified below.

ACCOUNTABILITY SAFEGUARDS

The provisions in this section are specifically included in this proposition in order that the District's voters and taxpayers 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 Education Code Sections 15264 and following).

Evaluation of Needs. The Board of Trustees hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List.

Limitation on Use of Bond Proceeds. The State of California does not have the power to take locally approved school district bond funds for any State purposes. The Constitution allows proceeds from the sale of bonds authorized by this proposition to be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities listed in this proposition, 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. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff only when performing work on or necessary and incidental to the bond projects.

Independent Citizens' Oversight Committee. The Board of Trustees shall establish an independent Citizens' Oversight Committee (pursuant to Education Code Section 15278 and following), to ensure bond proceeds are spent only for the school facilities projects listed in the Bond Project List. The committee shall be established within 60 days of the date on which the Board of Trustees enters the election results on its minutes.

Annual Performance Audits. The Board of Trustees 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.

Annual Financial Audits. The Board of Trustees shall conduct an annual, independent financial audit of the bond proceeds (which shall be separate from the District's

regular annual financial audit) until all of those proceeds have been spent for the school facilities projects listed in the Bond Project List.

Special Bond Proceeds Account; Annual Report to Board. Upon approval of this proposition and the sale of any bonds approved, the Board of Trustees shall take actions necessary pursuant to Government Code Section 53410 and following 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 or the Chief Business Official of the District (or such other employee as may perform substantially similar duties) shall cause a report to be filed with the Board no later than December 31 of each year, commencing December 31 of the year in which bonds are first issued, 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 such officer shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

FURTHER SPECIFICATIONS

Specific Purposes. 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 shall constitute the specific purposes of the bonds, and proceeds of the bonds shall be spent only for such purposes, pursuant to Government Code Section 53410.

Joint Use. The District may enter into agreements with the County of Stanislaus, City of Hughson, or 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 of Trustees shall determine.

Rate of Interest. The bonds shall bear interest at a rate per annum not exceeding the statutory maximum, payable at the time or times permitted by law.

Term of Bonds. The number of years the whole or any part of the bonds are to run shall not exceed the legal limit, though this shall not preclude bonds from being sold which mature prior to the legal limit.

PROJECT LIST

The Bond Project List below describes the specific projects the Hughson Unified School District proposes to finance with proceeds of the bonds. Listed projects will be completed as needed at a particular school 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. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. Certain construction funds expected from non-bond sources, including State grant funds for eligible projects, have not yet been secured. Until all project costs and funding sources are known, the Board of Trustees cannot determine the amount of bond proceeds available to be spent on each project, nor guarantee that the bonds will provide sufficient funds to allow completion of all listed projects. Completion of some projects may be subject to further government approvals or appropriation by State officials and boards, to local environmental review, and to input from the public. For these reasons, inclusion of a project on the Bond Project List is not a guarantee that the project will be funded or completed.

Unless otherwise noted, the projects in the Bond Project List are authorized to be completed at each or any of the District's sites, as shall be approved by the Board of Trustees:

Hughson Elementary School

- Modernize classrooms
- Replaced roof
- A/C
- Carpets
- Windows
- New field irrigation
- Security Camera System

Ross Elementary School

- New restroom facility
- Modernize or replaced classrooms
- New air conditioner in gym
- Security Camera System

The listed projects will be completed as needed. Each project is assumed to include its share of furniture, fixtures, equipment, architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the listed projects stated above, the list also includes the acquisition of a variety of instructional, maintenance and operational equipment, including the reduction or retirement of outstanding lease obligations and interim funding incurred to advance fund projects from the list; installation of signage and fencing; payment of the costs of preparation of all facility planning, facility studies, assessment reviews, facility master plan preparation and updates, environmental studies (including environmental investigation, remediation and monitoring), design and construction documentation, and temporary housing of dislocated District activities caused by construction projects. The allocation of bond proceeds will not be affected by the District's receipt of State matching funds and the final costs of each project. 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 and construction documents are finalized, construction bids are received, construction contracts 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. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to bond projects and the costs of issuing the bonds. Bond proceeds shall only be expended for the specific purposes identified herein. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.

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

EXHIBIT B

BALLOT MEASURE

To improve the quality of education, upgrade elementary and middle school classrooms, a new restroom facility at the middle school, install a new field irrigation system at the elementary and for student safety install a security camera system, shall Hughson Unified School District School Facilities improvement District No. 1 issue \$3,200,000 of bonds at legal rates, have an independent citizen's oversight committee and No money for administrative salaries.

Tax Rate Statement

An election will be held in the School Facilities Improvement District No. 1 of the Hughson Unified School District ("SFID No. 1") on November 8, 2016 to authorize the sale of up to \$3,200,000 in general obligation bonds. The following information is submitted in compliance with Sections 9400-9404 of the California Elections Code.

1. The best estimate of the tax rate that would be required 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 not more than \$0.019 per \$100 (\$19.00 per \$100,000) of assessed valuation in fiscal year 2017/18.
2. The best estimate of the tax rate that would be required 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 not more than \$0.019 per \$100 (\$19.00 per \$100,000) of assessed valuation in fiscal year 2017/18.
3. The best estimate of the highest tax rate that would be required to fund this bond issue, based on estimated assessed valuations available at the time of filing this statement, is not more than \$0.019 per \$100 (\$19.00 per \$100,000) of assessed valuation in fiscal year 2021/22.
4. The best estimate from official sources of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold will be approximately \$5,787,000.

These estimates are based on projections derived from information obtained from official sources. The actual tax rates and the years in which they will apply may vary depending on the timing of bond sales, the 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 needs of SFID No. 1. Actual assessed valuations will depend upon the amount and value of taxable property within SFID No. 1 as determined in the assessment and the equalization process.

Dated: 7/14/16

Brian Beck

Brian Beck
Superintendent

School Facilities Improvement District No. 1 of the Hughson Unified School District

RESOLUTION NO. 16/17:03

RESOLUTION OF THE BOARD OF TRUSTEES OF THE HUGHSON UNIFIED SCHOOL DISTRICT ORDERING AN ELECTION TO AUTHORIZE THE ISSUANCE OF SCHOOL BONDS, ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS OCCURRING ON NOVEMBER 8, 2016

WHEREAS, in the judgment of the Board of Trustees (the "Board") of the Hughson Unified School District (the "District"), it is advisable to call an election to submit to the electors of the District the question whether bonds of the District shall be issued and sold for the purpose of raising money for the acquisition or improvement of real property, and the furnishing and equipping of school facilities; and

WHEREAS, as a result of the approval of Proposition 39 on November 7, 2000, Article XIII A, Section 1, paragraph (b), of the California Constitution ("Article XIII A") provides an exception to the limit on *ad valorem* property taxes on real property for bonded indebtedness incurred by a school district approved by 55 percent of the voters of the district voting on the proposition; and

WHEREAS, the Board is specifically authorized, upon approval by a two-thirds vote of the Board, to pursue the authorization and issuance of bonds by a fifty-five percent (55%) vote of the electorate on the question whether bonds of the District shall be issued and sold for specified purposes, pursuant to Education Code Section 15264 *et seq.* (the "Act"); 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 8, 2016, and to request the Stanislaus County Registrar of Voters to perform certain election services for the District; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Trustees of the Hughson Unified School District the following:

Section 1. Call for Election. The Board hereby orders an election and submits to the electors of the District the question of whether general obligation bonds of the District shall be issued and sold in the maximum principal amount of \$2.2 million for the purpose of raising money to finance school facilities and property of the District, and paying costs incident thereto, as set forth more fully in the ballot proposition approved pursuant to Section 3. This Resolution constitutes the order of the District to call such election.

Section 2. Election Date. The date of the election shall be November 8, 2016, and the election shall be held solely within the boundaries of the District.

Section 3. Purpose of Election; Ballot Proposition. The purpose of the election shall be for the voters in the District to vote on a proposition, a full copy of which is attached hereto and marked Exhibit A, containing the question of whether the District shall issue the Bonds for the purpose stated therein, together with the accountability

requirements of Article XIII A and Government Code Section 53410 and the requirements of Section 15272 of the Act. The Stanislaus County Registrar of Voters (the "County Registrar") is requested to print the Full Text of Measure contained on Exhibit A in the sample ballot pamphlet. As required by Elections Code Section 13247, the abbreviated form of the measure to appear on the ballot is attached hereto and marked as Exhibit B. The Superintendent or designee is hereby authorized and directed to make any changes to the text of the proposition or this resolution as required to conform to any requirements of Article XIII A, the Act, or the Stanislaus County Registrar of Voters.

Section 4. Authority for Election. The authority for ordering the election is contained in Section 15264 *et. seq.* of the Education Code and Section I, paragraph (b), subsection (3), of Article XIII A. The authority for the specification of this election order is contained in Section 5322 of the Education Code.

Section 5. School Facilities Projects. As required by Article XIII A, the Board hereby certifies that it has evaluated safety, class size reduction, enrollment growth, and information technology needs in developing the list of school facilities projects set forth on Exhibit A.

Section 6. Covenants of the Board upon Approval of the Bonds by the Electorate. As required by Article XIII, Section 15278 of the Act, and Government Code Section 53410, in the event 55 percent of the voters voting in the District approve of the Bonds, the Board shall:

1. conduct an annual, independent performance audit to ensure that the funds have been expended only on the projects listed in Exhibit A;
2. conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for the school facilities projects listed in Exhibit A;
3. establish and appoint members to an independent citizens' oversight committee in accordance with Sections 15278, 15280, and 15282 of the Act;
4. apply the bond proceeds only to the specific purposes stated in the ballot proposition;
5. cause creation of accounts into which bond proceeds shall be deposited; and
6. cause the preparation of an annual report pursuant to Government Code Sections 53410 and 53411.

Section 7. Delivery of this Resolution. The Clerk of the Board is hereby directed to send a copy of this Resolution to the County Registrar and the Stanislaus County Clerk of the Board of Supervisors.

Section 8. Consolidation of Election. The County Registrar and the Stanislaus County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 8, 2016, within the District.

Section 9. Ballot Arguments; Tax Rate Statement. Any and all members of this Board are hereby authorized to act as an author of any ballot argument prepared in connection with the election, including a rebuttal argument. The Superintendent, President of the Board, or their designees, are hereby authorized to execute any Tax Rate Statement or other document and to perform all acts necessary to place the bond measure on the ballot.

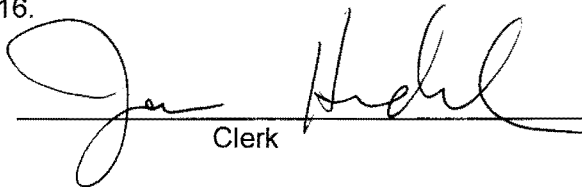
Section 10. Elections Code. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of Stanislaus County, is requested to permit the Registrar of Voters to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse Stanislaus County in full upon presentation of a bill, such services to include the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code).

Section 11. Agreement. The Superintendent is authorized and directed to execute the agreements on file with Jones Hall, A Professional Law Corporation, which firm is appointed hereby to perform bond and disclosure counsel services in regard to the Bonds, and KNN Public Finance, LLC which firm is appointed to perform financial advisory services in regard to the Bonds.

Section 12. Effective Date. This resolution shall take effect on and after its adoption.

PASSED AND ADOPTED by the Board of Trustees of the Hughson Unified School District the 14th day of July, 2016.

Signed:


Clerk

CLERK'S CERTIFICATE

I, Jim Hudelson, Clerk of the Board Trustees of the HUGHSON UNIFIED SCHOOL DISTRICT, hereby certify that the foregoing is a full, true, and correct copy of Resolution 16/17:03 adopted at a regular meeting place thereof on the 14th day of July, 2016, of which meeting all the members of said Board of Trustees had due notice and at which a majority thereof were present, and that at said meeting said resolution was adopted by the following vote:

(LIST NAMES OF BOARD MEMBERS IN APPROPRIATE SPACES BELOW)

REQUIRES 4 VOTES FOR ADOPTION

AYES:		<u>Rick Applegate, Cindy Cunningham-Gipp</u>
XXNOES:	Ayes:	<u>Jim Hudelson, Daniel Sexton</u>
NOES:		<u>N/A</u>
ABSENT:		<u>Randall Heckman</u>
ABSTENTIONS:		<u>N/A</u>

An agenda of said meeting was posted at least 24 hours before said meeting at Hughson, California, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office; that the foregoing resolution is a full, true and correct copy of the original resolution adopted at said board meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: July 14, 2016



Clerk of the Board of Trustees of the
HUGHSON UNIFIED SCHOOL DISTRICT

EXHIBIT A

BALLOT MEASURE FULL TEXT OF MEASURE

This proposition may be known and referred to as the Hughson Unified School District General Obligation Bond of 2016, or Measure ____.

BOND AUTHORIZATION

By approval of this proposition by at least 55% of the registered voters voting on the proposition, the Hughson Unified School District (the "District") shall be authorized to issue and sell bonds of up to \$2.2 million in aggregate principal amount to provide financing for the specific school facilities projects listed in the Bond Project List below, and in order to qualify to receive State matching grant funds, subject to all of the accountability safeguards specified below.

ACCOUNTABILITY SAFEGUARDS

The provisions in this section are specifically included in this proposition in order that the District's voters and taxpayers 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 Education Code Sections 15264 and following).

Evaluation of Needs. The Board of Trustees hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List.

Limitation on Use of Bond Proceeds. The State of California does not have the power to take locally approved school district bond funds for any State purposes. The Constitution allows proceeds from the sale of bonds authorized by this proposition to be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities listed in this proposition, 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. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff only when performing work on or necessary and incidental to the bond projects.

Independent Citizens' Oversight Committee. The Board of Trustees shall establish an independent Citizens' Oversight Committee (pursuant to Education Code Section 15278 and following), to ensure bond proceeds are spent only for the school facilities projects listed in the Bond Project List. The committee shall be established within 60 days of the date on which the Board of Trustees enters the election results on its minutes.

Annual Performance Audits. The Board of Trustees 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.

Annual Financial Audits. The Board of Trustees shall conduct an annual, independent financial audit of the bond proceeds (which shall be separate from the District's regular annual financial audit) until all of those proceeds have been spent for the school facilities projects listed in the Bond Project List.

Special Bond Proceeds Account; Annual Report to Board. Upon approval of this proposition and the sale of any bonds approved, the Board of Trustees shall take actions necessary pursuant to Government Code Section 53410 and following 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 or the Chief Business Official of the District (or such other employee as may perform substantially similar duties) shall cause a report to be filed with the Board no later than December 31 of each year, commencing December 31 of the year in which bonds are first issued, 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 such officer shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

FURTHER SPECIFICATIONS

Specific Purposes. 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 shall constitute the specific purposes of the bonds, and proceeds of the bonds shall be spent only for such purposes, pursuant to Government Code Section 53410.

Joint Use. The District may enter into agreements with the City of Hughson, County of Stanislaus, or 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 of Trustees shall determine.

Rate of Interest. The bonds shall bear interest at a rate per annum not exceeding the statutory maximum, payable at the time or times permitted by law.

Term of Bonds. The number of years the whole or any part of the bonds are to run shall not exceed the legal limit, though this shall not preclude bonds from being sold which mature prior to the legal limit.

BOND PROJECT LIST

The Bond Project List below describes the specific projects the Hughson Unified School District proposes to finance with proceeds of the bonds. Listed projects will be completed as needed at a particular school 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. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. Certain construction funds expected from non-bond sources, including State grant funds for eligible projects, have not yet been secured. Until all project costs and funding sources are known, the Board of Trustees cannot determine the

amount of bond proceeds available to be spent on each project, nor guarantee that the bonds will provide sufficient funds to allow completion of all listed projects. Completion of some projects may be subject to further government approvals or appropriation by State officials and boards, to local environmental review, and to input from the public. For these reasons, inclusion of a project on the Bond Project List is not a guarantee that the project will be funded or completed.

Unless otherwise noted, the projects in the Bond Project List are authorized to be completed at each or any of the District's sites, as shall be approved by the Board of Trustees:

Hughson High School

- New A/C in gym
- Gym reroof
- All weather track
- Security Camera System

The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the listed projects stated above, the list also includes the acquisition of a variety of instructional, maintenance and operational equipment, including the reduction or retirement of outstanding lease obligations and interim funding incurred to advance fund projects from the list; installation of signage and fencing; payment of the costs of preparation of all facility planning, facility studies, assessment reviews, facility master plan preparation and updates, environmental studies (including environmental investigation, remediation and monitoring), design and construction documentation, and temporary housing of dislocated District activities caused by construction projects. In addition to the projects listed above, the repair and renovation of each of the existing school facilities may include, but not be limited to, some or all of the following: renovation of student and staff restrooms; repair and replacement of heating and ventilation systems; upgrade of facilities for energy efficiencies; repair and replacement of worn-out and leaky roofs, windows, walls, doors and drinking fountains; installation wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; upgrades or construction of support facilities, including administrative, physical education/athletic facilities and performing arts buildings and maintenance yards; repair and replacement of fire alarms, emergency communications and security systems; resurfacing or replacing of hard courts, turf and irrigation systems and campus landscaping and play fields; expand parking; install interior and exterior painting and floor covering; demolition; and construction of various forms of storage and support spaces, upgrade classrooms, bleachers, kitchens, repair, upgrade and install interior and exterior lighting systems; replace outdated security fences and security systems. The allocation of bond proceeds will be not affected by the District's receipt of State matching funds. 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 and construction documents are finalized, construction bids are received, construction contracts 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. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to bond projects and the costs of issuing the bonds. Bond proceeds shall only be expended for the specific purposes identified herein. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.

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

EXHIBIT B

BALLOT MEASURE (ABBREVIATED FORM)

To improve the quality of school education and atmosphere, install a new air conditioning system in the gym, re-roof the gym, provide an all-weather track and for student safety install a security camera system, shall Hughson Unified School District issue \$2.2 million of bonds at legal rates, have an independent citizen's oversight committee and No money for administrative salaries.

Tax Rate Statement

An election will be held in the Hughson Unified School District (the "District") on November 8, 2016 to authorize the sale of up to \$2,200,000 in general obligation bonds. The following information is submitted in compliance with Sections 9400-9404 of the California Elections Code.

1. The best estimate of the tax rate that would be required 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 not more than \$0.0085 per \$100 (\$8.50 per \$100,000) of assessed valuation in fiscal year 2017/18.
2. The best estimate of the tax rate that would be required 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 not more than \$0.0085 per \$100 (\$8.50 per \$100,000) of assessed valuation in fiscal year 2017/18.
3. The best estimate of the highest tax rate that would be required to fund this bond issue, based on estimated assessed valuations available at the time of filing this statement, is not more than \$0.0085 per \$100 (\$8.50 per \$100,000) of assessed valuation in fiscal year 2020/21.
4. The best estimate from official sources of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold will be approximately \$3,965,000.

These estimates are based on projections derived from information obtained from official sources. The actual tax rates and the years in which they will apply may vary depending on the timing of bond sales, the 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 needs of the District. Actual assessed valuations will depend upon the amount and value of taxable property within the District as determined in the assessment and the equalization process.

Dated: 7/14/16



Brian Beck
Superintendent
Hughson Unified School District