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COLD SPRING ELEMENTARY SCHOOL DISTRICT

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COUNTY OF SANTA BARBARA
CLERK OF THE
BOARD OF SUPERVISORS

RESOLUTION OF THE GOVERNING BOARD OF TRUSTEES OF THE COLD SPRING ELEMENTARY SCHOOL DISTRICT ORDERING A SCHOOL BOND ELECTION TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS, ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS OCCURRING ON NOVEMBER 3, 2020, AND AUTHORIZING NECESSARY ACTIONS IN CONNECTION THEREWITH

RESOLUTION NO. 2019-20/16

WHEREAS, the Governing Board of Trustees (the “Board”) of the Cold Spring Elementary School District (the “District”), within Santa Barbara County, California, 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 Education Code;

WHEREAS, pursuant to the provisions of Proposition 39, adopted by the voters of the State on November 7, 2000 (“Proposition 39”), comprising Article XIII A, Section 1, paragraph (b) of the California Constitution (“Article XIII A”), and section 15266 of the Education Code, school districts may seek approval of general obligation bonds and levy an *ad valorem* tax to repay those bonds upon a 55% vote of those voting on a proposition for the purpose, provided certain accountability measures are included in the proposition;

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

WHEREAS, the District wishes to provide additional funding for the improvement, construction, equipping and furnishing of its school facilities, to insure that District students have modern, safe and efficient classrooms and facilities; and

WHEREAS, the District may qualify for significant matching facility improvement funds from the State of California (the “State”) to contribute to the cost of upgrading its school and classroom facilities; and

WHEREAS, the Board hereby determines that it is necessary and advisable to seek additional facility funding to both repair and upgrade District schools and qualify for any additional State funding; and

WHEREAS, in the judgment of the Board, it is advisable to call an election to submit to the electors of the District the question of whether bonds of the District shall be issued and sold for the purpose of funding the construction, reconstruction, rehabilitation and replacement of school facilities, including the furnishing or equipping of school facilities, or the acquisition or lease of real property for school facilities and paying costs incident thereto; and

WHEREAS, the Board desires to make certain findings to be applicable to the within election order and to establish compliance with Proposition 39 and the applicable requirements of the Education Code and the Elections Code of the State (the "Elections Code"), as further specified herein;

WHEREAS, pursuant to Section 10403 *et seq.* of the Elections Code, the Board now deems it appropriate and necessary to request consolidation of the election authorized hereby (the "Election") with any and all other elections to be held on November 3, 2020, and to request the County Clerk, Recorder, and Assessor and Registrar of Voters (the "Registrar of Voters") of the County of Santa Barbara (the "County") to perform certain election services for the District;

WHEREAS, pursuant to section 15268 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 legal limit of \$30 per year per \$100,000 of assessed valuation of taxable property;

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

NOW, THEREFORE, be it resolved, determined and ordered by the Governing Board of Trustees of the Cold Spring Elementary School District as follows:

Section 1. Specifications of Election Order. Pursuant to sections 5304, 5322, 15100 *et seq.*, and section 15266 of the California Education Code, an election shall be held within the boundaries of the District on November 3, 2020, for the purpose of submitting to the registered voters of the District the proposition stated herein and listed on Exhibit A hereto. 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. The Bond Project List shall be considered a part of the ballot proposition and shall be reproduced in any official document required to contain the full statement of the bond proposition.

Section 2. Brief Statement of Proposition. Pursuant to section 13247 of the California Elections Code and section 15122 of the California Education Code, the Board hereby directs the Registrar of Voters to use the abbreviation of the bond proposition on the ballot set forth on Exhibit B hereto:

Section 3. Voter Pamphlets. The Registrar of Voters of Santa Barbara County is hereby requested to reprint Exhibit A hereto in its entirety in the voter information pamphlets to be distributed to voters pursuant to section 13307 of the California Elections Code.

Section 4. 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 one or more series from time to time in the aggregate principal amount not to exceed \$7.8 million for the purpose of raising money for construction, reconstruction, rehabilitation, refinancing and replacement of school facilities, including the furnishing or equipping of school facilities or the acquisition or lease of real property for school facilities, and paying costs incident thereto, as set forth more fully in a ballot proposition approved pursuant to Section 1 above.

Section 5. Required Vote. Pursuant to section 18 of Article XVI and section 1 of Article XIII A of the State Constitution, the above proposition shall become effective upon the affirmative vote of at least 55% of those voters voting on the proposition.

Section 6. State Matching Funds. In addition to the amount of Bonds issued, it is the Board's intention to seek State funding, in the event and to the extent it is available.

Section 7. Request to County Officers to Conduct Election. The Registrar of Voters of the County is hereby requested, pursuant to section 5322 of the Education Code, to take all steps to call and hold the election in accordance with law and these specifications. This Resolution shall stand as the order to the Registrar of Voters to call the Election within the boundaries of the District on November 3, 2020.

Section 8. Consolidation Requirement: Canvass.

(a) The date of the Election shall be November 3, 2020, and the Election shall be held solely within the boundaries of the District. Pursuant to Section 15121 of the Education Code and Part 3 (commencing with Section 10400) of Division 10 of the Elections Code, the Board of Supervisors of the County is requested to order consolidation of the school bond election ordered herein with such other elections as may be held on the same day in the same territory or in territory that is in part the same.

(b) The Board of Supervisors of Santa Barbara County is authorized and requested to canvass the returns of the election, pursuant to section 10411 of the California Elections Code and to render all services necessary in connection with the Election including, but not limited to, publication of a Formal Notice of School Bond Election pursuant to Education Code 5363 and

related law, the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code), the opportunity to submit ballot arguments in connection with the Election, the canvassing and certification of the returns of the Election, and other ballot requirements pursuant to Education Code Section 15123, for which services the District agrees to reimburse the County as required by law.

Section 9. The Bonds. (i) The maturity of any bonds issued pursuant to the Bond Measure and under Chapter 1.5, Part 10, Division 1, Title 1 of the Education Code (commencing with Section 15264), as amended, and Article XIII A shall not exceed twenty-five (25) years and shall bear or accrete interest at a rate not to exceed the maximum legal interest rate per annum, and (ii) the maturity of any bonds issued pursuant to the Bond Measure and under Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, as amended, applicable provisions of the Education Code and Article XIII A of the California Constitution shall not exceed forty (40) years, or, in the case of bonds, the interest on which is compounded, twenty-five (25) years, and shall bear or accrete interest at a rate not to exceed the maximum legal interest rate per annum.

Section 10. School Facilities Projects. As required by Article XIII A, the Board hereby certifies that it has evaluated facilities repair and replacement needs, safety, class-size reduction, and information technology needs of the District in developing the list of school facilities projects set forth in Exhibit A. The District understands that costs of managing construction projects and costs of issuance of the Bonds shall be lawful charges against proceeds of sale of the Bonds, and certain costs of administering the election will be lawful charges against the District's general fund.

Section 11. Covenants of the Board Upon Approval of the Bonds by the Electorate. As required by Article XIII A and Section 15278 of the Act, if fifty-five percent (55%) or more of the voters of the District voting on the Bond Measure approve the Bond Measure, the Board shall:

(a) Use the Bond proceeds only for the purposes of construction, reconstruction, rehabilitation, refinancing, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, as specifically set forth in Exhibit A, and not for any other purpose, including teacher and administrator salaries and other school operating expenses;

(b) Conduct an annual, independent performance audit to ensure that the Bond proceeds have been expended only on the projects listed in Exhibit A;

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

(d) Establish and appoint members to an independent citizens' bond oversight committee in accordance with Sections 15278, 15280, and 15282 of the Act; and

(e) Limit the amount of Bonds issued pursuant to the Bond Measure so that the tax rate on taxable property located within the District required to repay such bonds will not, based on the District's reasonable expectations, exceed \$30 per \$100,000 of assessed value.

Section 12. Delivery of Order of Election to County Officers. The Clerk of the Board is hereby directed to deliver, no later than July 3, 2020, one copy of this Resolution to the Santa Barbara County Superintendent of Schools and the Registrar of Voters of the County together with the Tax Rate Statement (attached hereto as Exhibit C), completed and signed by the Superintendent, and shall file a copy of this Resolution with the Clerk of the Board of Supervisors of Santa Barbara County.

Section 13. Ballot Arguments. The members of the Board are hereby authorized, but not directed, to prepare and file with the Registrar of Voters of the County a ballot argument in favor of the proposition contained in Section 1 hereof, within the time established by the Registrar of Voters of the County.

Section 14. Reimbursement of Qualified Project Expenditures. The Board presently intends and reasonably expects to have tax-exempt obligations (the "Obligations") issued on its behalf no later than 18 months of (i) the date of the expenditure of moneys, if any, made with respect to the Projects outlined in the Project List or (ii) the date upon which the Project for which expenditures are to be reimbursed is placed in service or abandoned, whichever is later (but in no event more than 3 years after the date the original expenditure of such moneys is paid), and to allocate an amount of the proceeds thereof, not exceeding \$7,800,000, to reimbursable expenditures in connection with the Project, as may be qualified under the provisions of Section 1.150-2 of the Treasury Regulations of the Internal Revenue Service (the "Reimbursable Expenditures"). All of the Reimbursable Expenditures covered by this Section were paid not earlier than 60 days prior to the date of this Resolution or constitute preliminary expenditures within the meaning of Section 1.150-2 of the Treasury Regulations. The Board intends to allocate within 30 days after the date of issue of the Obligations, the proceeds therefrom to reimburse the District for the Reimbursable Expenditures. With respect to the proceeds of the Obligations allocated to reimburse the District for prior expenditures, the Board hereby covenants not to employ an abusive device under Treasury Regulation Section 1.148-10, including using within one year of the reimbursement allocation, the funds corresponding to the proceeds of the Obligations in a manner that results in the creation of replacement proceeds, as defined in Treasury Regulation Section 1.148-1, of the Obligations or another issue of tax-exempt obligations.

The above provisions are made solely for the purpose of establishing compliance with the requirements of said Section 1.150-2 of the Treasury Regulations. This provision does not bind the District or the Board to make any expenditure, incur any indebtedness, or proceed with the financing, acquisition or construction of the Projects.

Section 15. Further Authorization. The members of this Board, the Superintendent, and all other officers of the District are hereby authorized and directed, individually and collectively, to do any and all things that they deem necessary or advisable in order to effectuate the purposes of this resolution.

Section 16. Effective Date. This Resolution shall take effect upon its adoption.

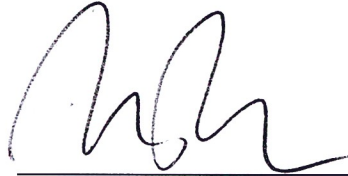
APPROVED AND ADOPTED by the Governing Board of Trustees of the Cold Spring Elementary School District at a regularly scheduled board meeting held on the 22ND day of June 2020, in Santa Barbara County, by the following vote:

AYES: 5

NOES: 0

ABSENT: 0

ABSTENTIONS: 0




Jennifer Miller, President
Governing Board of Trustees of the
Cold Spring Elementary School District

I, Dr. Amy Alzina, Superintendent/Principal and Secretary to the Governing Board of Trustees of the Cold Spring Elementary School District of Santa Barbara County, California, do hereby certify that the foregoing is a true, and correct copy of a resolution and reflection of its vote as duly adopted by said Board at a meeting thereof, which Resolution is on file and of record in the office of the Superintendent/Principal.

Date:

6/22/20



Amy Alzina, Ed.D.
Superintendent/Principal
And Secretary to the Governing Board of Trustees
Cold Spring Elementary School District

EXHIBIT A

COLD SPRING ELEMENTARY SCHOOL DISTRICT

BOND PROJECT LIST

By approval of this proposition by at least 55% of the registered voters voting on the proposition, the District shall be authorized to issue and sell bonds of up to \$7,800,000 in aggregate principal amount to provide financing for the specific school facilities projects listed in the following Project List, subject to all of the accountability safeguards specified below. Bonds will be issued in one or more series.

Projects to be funded by the bond measure include:

- Replace two aging relocatable/portable buildings with the construction of at least three new permanent classrooms
- Construction of new Science, Engineering /Mathematics and Technology and Maker laboratories
- Construction of one or more new Art classrooms
- Repair and renovate historical classrooms and buildings
- Improve existing classrooms to accommodate “social distancing” and new state mandates for protecting the health and safety of students and staff
- Repair aging water/sewer lines and other aging infrastructure
- Replace aging fire alarms and school wide communication systems
- Improve campus circulation and HVAC systems and safety, including reconfiguring and relocating campus student support services
- Repair parking lots and blacktop areas throughout the campus
- Improve campus security and emergency communications
- Repair and replace aging roofs throughout the campus
- Repairing or replacing existing restrooms and plumbing
- Improve, renovate and repair the library, including construction of a state-of-the-art media arts installation
- Upgrading and improving education technology infrastructure and wiring to meet modern technology demands
- Improve electrical wiring throughout the campus

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, and escalation for unforeseen design and construction costs. In addition to the listed projects stated above, the Project List also includes the acquisition of a variety of instructional, maintenance and operational equipment, including the payment of the costs of preparation of all facility planning, facility studies, facility master plan updates, assessment reviews, environmental studies (including environmental investigation, remediation and monitoring), design and construction documentation, and temporary housing of dislocated District activities caused by bond projects, as well as the reduction or retirement of outstanding lease or capital facility note obligations, including interim funding incurred to advance fund projects from the Project List, or the reimbursement of the District for such reduction, as well as the refinancing of outstanding general obligation bond debt of the District and creation of a fund to stabilize tax rates levied on District property owners. the acquisition of land for any of the listed projects, the acquisition or prepayment of outstanding ground leases, acquiring and leasing of real property for school facilities, including the purchase of leased facilities and the refinancing of outstanding lease obligations. The upgrading and improvement of

technology infrastructure includes, but is not limited to, computers, LCD projectors, portable interface devices, servers, switches, routers, modules, sound projection, card access systems, laser printers, digital white boards, document projectors, upgraded voice-over IP, call manager and network security/firewall, and other miscellaneous equipment and software. In the event an unforeseen catastrophic event occurs in the District, proceeds may be used for the construction, reconstruction, rehabilitation, furnishing and equipping of school facilities at affected sites. The District will pursue the maximum amount of State matching funds available to complete the Projects. Proceeds of the bonds may be used to pay or reimburse the District for the costs of District staff when performing work on or necessary and incidental to bond projects.

The allocation of bond proceeds will be affected by the District's receipt of State matching funds and the final costs of each project. Approval of Measure ____ does not guarantee that the proposed Project or Projects within the District that are the subject of bonds under Measure ____ will be funded beyond the local revenues generated by Measure _____. The District's proposal for the project or projects may assume the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure. In the absence of State matching funds, which the District will aggressively pursue to reduce the District's share of the costs of the projects, the District may not be able to complete all of the projects listed above. The budget for each project is an estimate and may be affected by factors beyond the District's control.

The budget for each project is an estimation and may be affected by factors beyond the District's control. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating enhanced and operationally efficient campuses. Necessary site preparation/restoration and landscaping, 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, redirecting fire access, and acquiring any necessary easements, licenses, or rights of way to the property.

ACCOUNTABILITY SAFEGUARDS

The following provisions 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 the specific facilities needs of the District, 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).

As required by the California Constitution, the proceeds from the sale of the bonds will be used only for the provision of school facilities by construction, reconstruction, rehabilitation, refinancing or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease or real property for school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

As required by the California Constitution, the Board has certified that it has evaluated facilities repair and replacement needs, safety, class-size reduction, and information technology needs of the District in developing the list of school facilities projects set forth herein.

The District will conduct an annual, independent performance audit to ensure that the funds have been expended only on projects included in the Project List set forth above.

The District will conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended on projects included in the Project List set forth above.

Pursuant to Section 15772 of the Education Code, the Board will appoint a citizens' oversight committee and conduct annual independent audits to assure that bond proceeds are spent only on projects included in the Project List set forth above and for no other purposes.

Single Purpose. All of the purposes enumerated in this proposition shall be united and voted upon as one

single proposition, pursuant to section 15100 of the California Education Code, and all the purposes shall constitute the specific single purpose of the bonds, and proceeds of the bonds shall be spent only for such specific purposes identified herein, pursuant to section 53410 of the California Government Code. 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.

NO ADMINISTRATOR SALARIES. PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE USED ONLY FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION, OR REPLACEMENT OF SCHOOL FACILITIES, INCLUDING THE FURNISHING AND EQUIPPING OF FACILITIES, AND NOT FOR ANY OTHER PURPOSE, INCLUDING PENSIONS, TEACHER AND SCHOOL ADMINISTRATOR SALARIES AND OTHER OPERATING EXPENSES.

FISCAL ACCOUNTABILITY. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. BY LAW, PERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE (EDUCATION CODE SECTION 15278 ET SEQ.) TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS' BOND OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATIVES OF A BONA FIDE TAXPAYERS ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS ORGANIZATION. NO DISTRICT EMPLOYEES OR VENDORS ARE ALLOWED TO SERVE ON THE CITIZENS' BOND OVERSIGHT COMMITTEE.

EXHIBIT B

BOND MEASURE
(Abbreviated Form)

<p>“COLD SPRING CLASSROOM UPGRADE, REPAIR, SAFETY MEASURE: To replace aging, deteriorating portable buildings with new Science, Engineering, Technology, Art classrooms; repair classroom buildings, roofs, sewer/water lines, restrooms, plumbing; provide safe drinking water; improve fire alarms/sprinklers, emergency communications; retain/attract quality teachers, shall the Cold Spring Elementary School District issue \$7.8 million in bonds at legal rates averaging \$527,525 annually while bonds are outstanding, at 1.3¢ per \$100 assessed value, requiring audits, citizens’ oversight, all funds spent for Cold Spring School?”</p>	BONDS – YES
	BONDS – NO

EXHIBIT C

TAX RATE STATEMENT

An election will be held in the Cold Spring Elementary School District (the "District") on November 3, 2020, to authorize the sale of up to \$7,800,000 in bonds of the District for the specific school facilities projects listed in the Bond Project List established by the District, as described in the proposition. If the bonds are authorized, the District expects to sell the bonds in one or more series. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property in the District. The following information is provided in compliance with Sections 9400-9404 of the Elections Code of the State of California.

1. The best estimate from official sources of the average annual tax rate that would be required to be levied to fund that bond issue over the entire duration of the bond debt service, based on assessed valuations available at the time of the election or a projection based on experience within the same jurisdiction or other demonstrable factors is 1.3 cents per \$100 of assessed valuation (\$13.00 per \$100,000 of assessed valuation) of all property to be taxed. The best estimate of the final fiscal year in which the tax is anticipated to be collected is 2052.

2. The best estimate from official sources of the highest tax rate that would be required to be levied to fund that bond issue, and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election or a projection based on experience within the same jurisdiction or other demonstrable factors is 1.4 cents per \$100 of assessed valuation (\$14.00 per \$100,000 of assessed valuation) of all property to be taxed. The best estimate of the year in which the highest tax rate will apply is anticipated to be 2025.

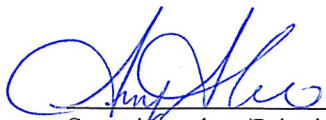
3. The best estimate from official sources of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold is \$15,825,750.00.

Voters should note that such estimated tax rates are specific to the repayment of bonds issued under this authorization and are and will be in addition to tax rates levied in connection with other bond authorizations approved or to be approved by the District or any other overlapping public agency.

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

Attention of all voters is directed to the fact that the foregoing information is based upon the District's reasonable assumptions, projections and estimates only, which are not binding upon the District. Approval of the ballot measure authorizes the issuance of bonds under certain conditions and for certain purposes but is not approval of a specific tax rate or a specific plan of bond issuance. 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 and repayment structure of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount and repayment structure of bonds sold at any given time will be determined by the District based on need for construction funds and other factors, including legal limitations on bonds approved by a 55% vote. 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 Barbara County Assessor in the annual assessment and the equalization process.

Dated: June 22, 2020.



Superintendent/Principal
Cold Spring Elementary School District