

MENDOCINO UNIFIED SCHOOL DISTRICT

FULL TEXT OF MEASURE H

INTRODUCTION

The following is the abbreviated form of Mendocino Unified School District's bond measure:

"To improve the quality of Mendocino High; repair/replace leaky roofs and deteriorating plumbing and sewer systems; and modernize/construct classrooms, restrooms and school facilities; shall Mendocino Unified School District's measure be adopted authorizing \$31,000,000 of bonds at legal interest rates, generating an average \$1,700,000 annually while bonds are outstanding with levies of approximately 6 cents per \$100 assessed value, with annual audits, citizens' oversight, no money for salaries and all money for local schools?

BOND AUTHORIZATION

By approval of this measure by at least 55 percent of the registered voters voting on the measure, the Mendocino Unified School District will be authorized to issue and sell bonds of up to \$31.0 million in aggregate principal amount at interest rates not to exceed legal limits and to provide financing for the specific types of school facilities projects listed in the Bond Project List described below, subject to all the accountability requirements specified below.

ACCOUNTABILITY REQUIREMENTS

The provisions in this section are specifically included in this measure in order that the voters and taxpayers in the District may be assured that their money will be spent wisely. Expenditures to address specific facilities needs of the District will be 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 School Board has identified detailed facilities needs of the District and has determined which projects to finance from a local bond. The School Board hereby certifies that it has evaluated safety, class size reduction, enrollment growth, and information technology needs in developing the Bond Project List in show below.

Independent Citizens' Oversight Committee. Following approval of this measure, the Board of Trustees will establish an Independent Citizens' Oversight Committee, under Education Code Sections 15278 and following, to ensure bond proceeds are expended only on the types of school facilities projects listed below. The committee will be established within 60 days of the date when the results of the election appear in the minutes of the School Board.

Performance Audits. The School Board will conduct annual, independent performance audits to ensure that the bond proceeds have been expended only on the school facilities projects listed below.

Financial Audits. The School Board will conduct annual, independent financial audits of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed below.

Government Code Accountability Requirements. As required by Section 53410 of the Government Code, (1) the specific purpose of the bonds is set forth in this Full Text of the Measure, (2) the proceeds from the sale of the bonds will be used only for the purposes specified in this measure, and not for any other purpose, (3) the proceeds of the bonds, when and if issued, will be deposited into a building fund to be held by the Mendocino County Treasurer, as required by the California Education Code, and (4) the Superintendent of the District shall cause an annual report to be filed with the Board of Trustees of the District not later than January 1 of each year, which report shall contain pertinent information regarding the amount of funds collected and expended, as well as the status of the projects listed in this measure, as required by Sections 53410 and 53411 of the Government Code.

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NO TEACHER OR ADMINISTRATOR SALARIES

Proceeds from the sale of bonds authorized by this measure shall be used only for the purposes specified in Article XIII A, Section 1(b)(3), those being for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, and the acquisition or lease of school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

STATE MATCHING FUNDS

The following statement is included in this measure pursuant to Education Code Section 15122.5: Approval of this measure does not guarantee that the proposed project or projects that are the subject of bonds under this measure will be funded beyond the local revenues generated by this measure. The District's proposal for the project or projects described below may assume the receipt of matching state funds, which, if available, could be subject to appropriation by the Legislature or approval of a statewide bond measure.

INFORMATION ABOUT ESTIMATES AND PROJECTIONS INCLUDED IN BALLOT

Voters are informed that any estimates or projections in the bond measure or ballot materials, including relating to estimated tax rates, the duration of issued bonds and related tax levies and collections are provided as informational only. Such amounts are estimates and are not maximum amounts or limitations on the terms of the bonds, the tax rate or duration of the tax supporting repayment of issued bonds. Such estimates depend on numerous variables which are subject to variation and change over the term of the District's overall facilities and bond financing plan, including but not limited to the amount of bonds issued and outstanding at any one time, the interest rates applicable to issued bonds, market conditions at the time of sale of the bonds, when bonds mature, timing of project needs and changes in assessed valuations in the District. As such, while such estimates and approximations are provided based on information currently available to the District and its current expectations, such estimates are approximations are not limitations and are not binding upon the District.

BOND PROJECT LIST

Scope of Projects. Bond proceeds will be expended on the construction, reconstruction, rehabilitation, or replacement of school facilities of the Mendocino Unified School District, including furnishing and equipping, and the acquisition or lease of real property for school facilities, and not for any other purpose, including teacher and administrator salaries or other school operating expenses, in compliance with California Constitution Article XIII A, Section 1(b)(3). This measure authorizes bond projects to be undertaken at all properties and sites owned or acquired by the District.

School Facility Project List. The items presented on the following list provide are the types of projects authorized to be financed with voter-approved bond proceeds. Specific examples included on this list are not intended to limit the types of projects described on this list and authorized by this measure. The types of projects authorized are:

MENDOCINO HIGH SCHOOL RENOVATION AND RECONSTRUCTION PROJECT

Renovate, reconstruct, construct and expand Mendocino High School to provide a comprehensive, updated and modern high school campus.

Project components include but are not limited to:

- Renovation, reconstruction, expansion and construction of the main building, industrial arts building, tech center building, performing arts and music facilities.
- Renovation, reconstruction, expansion and construction of the gym and other physical education facilities and outdoor areas, including all related indoor and outdoor facilities and improvements.

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- Renovation, reconstruction, expansion and construction of improvements to facilities used by the Mendocino Community High School and Mendocino Sunrise High School.
- Repairing/replacing and upgrading leaky and/or deteriorating roofs, doors, windows, flooring and other building finishes.
- Upgrading/modernizing and ensuring fully compliant and accessible restroom facilities.
- All site work and infrastructure including repair/replace/install plumbing, drainage, sewer, electrical, gas, generators and alternative energy improvements to provide a fully functioning, modern and safe high school campus.

ADDITIONAL DISTRICT-WIDE PROJECTS

Health, Safety and Security Improvements to provide healthy and safe schools and facilities throughout the District. Project components include but are not limited to:

- Improving student and campus safety by acquiring and installing fencing, security alarms, monitoring systems, communication systems, secure entry points and fire and life safety systems
- Make health and safety improvements to school facilities, such as repairing and/or replacing leaky/deteriorating roofs, and repairing/replacing aging building materials including removal of hazardous materials such as asbestos identified either prior to or during construction.
- Make improvements and repairs to infrastructure serving all sites including plumbing, sewer, gas and electrical.

Upgrade and Modernize Facilities to provide educational facilities and programs which meet modern standards. Project components include but are not limited to:

- Renovating, modernizing, furnishing and equipping aging and outdated classrooms, restrooms and other school facilities throughout the District.
- Replacing aging temporary structures with improved, permanent structures.
- Acquire, upgrade and install up-to-date technology including all related infrastructure and equipment to provide all sites with a modern technology environment, including but not limited to:
 - Infrastructure such as wiring, switches, routers and wireless access infrastructure.
 - Computers, devices and other modern instructional equipment and tools.
 - Hardware, software and back-up and recovery and security technologies.

Upgrade and Improve Facilities to Ensure Accessibility to All Students. Project components include but are not limited to:

- Renovate, repair and upgrade school facilities including restrooms and drinking fountains to meet all legal requirements and standards under the Americans With Disabilities Act and other applicable laws, codes and regulations.
- Improve site access and make all improvements to District sites and facilities to ensure compliance with all applicable legal requirements and regulations, including for Americans with Disabilities Act.

Authorized Projects Include All Incidental Costs and Furnishing and Equipping. Each of the bond projects described in this Bond Project List include the costs of furnishing and equipping such facilities, and all costs which are incidental but directly related to the types of projects described above. Examples of incidental costs

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include, but are not limited to: costs of design, engineering, architect and other professional services, facilities assessments, inspections, site preparation, utilities, landscaping, construction management and other planning and permitting, legal, accounting and similar costs; independent annual financial and performance audits; a customary construction contingency; demolition and disposal of existing structures; the costs of interim housing and storage during construction including relocation and construction costs incurred relating to interim facilities; rental or construction of storage facilities and other space on an interim basis for materials and other equipment and furnishings displaced during construction; costs of relocating facilities and equipment as needed in connection with the projects; interim classrooms and facilities for students, administrators, and school functions, including modular facilities; federal and state-mandated safety upgrades; addressing unforeseen conditions revealed by construction/modernization and other necessary improvements required to comply with existing building codes, including the Field Act; access requirements of the Americans with Disabilities Act; costs of the election; project construction oversight, management and administration during the duration of such projects, including by District personnel, and bond issuance costs.

Changes in Scope; Unforeseen Conditions. Unforeseen conditions may arise during the course of planning, design and construction resulting in the scope and nature of any of the specific projects described above being altered by the District. The District may need to apply bond funds to address discoveries made in the course of reconstruction and construction, including to meet all requirement of the Department of State Architects and all building codes and standards.

New Construction Authorized. The District may determine that a project planned for modernization or renovation is more economical or desirable to be undertaken as new construction. In such case, this bond measure authorizes said project to be undertaken as new construction, including land acquisition, relocation, expansion and construction and/or reconstruction, of all costs relating thereto.

Acquisition of Real Property Interests. In addition, this measure authorizes the acquisition of real property, including necessary rights of ways or other real property interest, required to expand District facilities, to provide access to other District sites and facilities, or to provide additional school or related facilities.

Reimbursements Authorized. Further, authorized projects include reimbursements for project costs previously paid by the District, and the payment or prepayment of interim or previously obtained financing for the types of projects included on the project list, such as bond anticipation notes and capital leases relating to projects and/or equipment previously financed.

Joint Use Projects Authorized. Projects on this list may be undertaken and used as joint use projects with other public agencies.

Projects Not Listed In Priority Order. The order in which projects are listed in the foregoing Bond Project List does not suggest an order of priority. Project prioritization is vested in and will be determined by the District Board of Trustees.

Additional Funding Sources; No Guarantee of All Projects. Approval of the District's bond measure does not guarantee that all of the identified projects within this Bond Project List will be funded beyond what can be completed with funds generated by this bond measure. The District plans to pursue funds from the State of California, if available, to complete certain of the identified facilities projects. The District is unable to anticipate all unforeseen circumstances which may prevent some of the projects listed above from being undertaken or completed.

IMPARTIAL ANALYSIS

MEASURE H

A Measure by the Mendocino Unified School District to Authorize the Issuance of School Bonds of up to \$31,000,000

This measure was placed on the ballot by the Mendocino Unified School District Board of Trustees to seek voter approval for the issuance and sale of bonds in the amount of Thirty-One Million Dollars (\$31,000,000). The bonds would issue at legal interest rates to generate an average of One Million Seven Hundred Thousand Dollars (\$1,700,000) annually at a rate of approximately Six Cents (\$.06) per One Hundred Dollars (\$100) of assessed value. The money raised by the sale of these bonds can only be used for the purposes stated in the bond measure and not for any other purpose, including teacher and administrative salaries and other school operating expenses.

The purposes stated in the Bond Project List are the renovation, reconstruction, expansion, and/or construction of the main building, gymnasium and other physical education facilities; repairing/replacing and upgrading leaky and/or deteriorating roofs, doors, windows and flooring; upgrading/modernizing accessible restroom facilities; repairing/replacing/installing plumbing, drainage, sewer, electrical, gas, and other infrastructure; and other miscellaneous projects at school sites.

Approval of this measure does not guarantee that the proposed projects that are the subject of these bonds will be funded beyond the local revenues generated by the measure. The District's proposal for the projects may assume the receipt of matching state funds, which, if available, could be subject to appropriation by the Legislature or approval of a statewide bond measure.

This measure includes the accountability requirements set forth in the California Constitution and the Education Code, including the creation of an Independent Citizens' Oversight Committee.

Pursuant to Elections Code section 9400 et seq., the District has prepared a Tax Rate Statement which estimates the property tax levies required to pay off the bonds. The information provided is based on the District's projections and estimates and are not binding on the District.

This measure was placed on the ballot by the Mendocino Unified School District Board of Trustees.

This measure shall become effective only upon the affirmative vote of fifty-five percent (55%) of those electors voting on the measure.

A **"YES"** vote is a vote in favor of the issuance of the bonds.

A **"NO"** vote is a vote against the issuance of the bonds.

The above statement is an impartial analysis of the Ordinance or Measure H. If you desire a copy of the ordinance or measure, please call the elections official's office at (707) 234-6819 and a copy will be mailed at no cost to you.

DATED: December 18, 2019

s/Christian M. Curtis
Acting County Counsel
County of Mendocino

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TAX RATE STATEMENT

REGARDING PROPOSED MENDOCINO UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS

An election will be held in the Mendocino Unified School District (the "District") on March 3, 2020, to authorize the sale of up to \$31.0 million in bonds of the District to finance school facilities as described in the measure. If such bonds are authorized and sold, principal and interest on the bonds will be payable only from the proceeds of *ad valorem* 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. Such information is based upon the best estimates and projections presently available from official sources, upon experience within the District, and other demonstrable factors.

Based upon the foregoing and projections of the District's assessed valuation, the following information is provided:

1. The best estimate of the average annual tax rate which would be required to be levied to fund this bond issue over the entire duration of the bond debt service, based on a projection of assessed valuations available at the time of filing of this statement, is \$0.056 per \$100 of assessed valuation (or \$56.00 per \$100,000 of assessed value). The final fiscal year in which it is anticipated that the tax will be collected is 2055-56.
2. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on a projection of assessed valuations available at the time of filing of this statement, is \$0.06 per \$100 of assessed valuation (or \$60.00 per \$100,000 of assessed value). It is estimated that the year in which the highest tax rate would apply is in fiscal year 2020-21.
3. The best estimate 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 approximately \$61.3 million.

Voters should note the estimated tax rate is based on the assessed value (not market value) of taxable property on the County's official tax rolls. In addition, taxpayers eligible for a property tax exemption, such as the homeowner's exemption, will be taxed at a lower effective tax rate than described above. Property owners should consult their own property tax bills and tax advisors to determine their property's assessed value and any applicable tax exemptions.

The 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 or durations and are not binding upon the District. The actual debt service, tax rates and the years in which they will apply may vary from those used to provide the estimates set forth above, due to factors such as variations in the timing of bond sales, the par amount of bonds sold and market interest rates available at the time of each sale, actual assessed valuations over the term of the bonds, and other factors. The date and amount of bonds sold at any given time will be determined by the District based on the need for project funds and other considerations. The actual interest rates at which the bonds will be sold will depend on conditions in the bond market at the time of sale. Actual future 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.

s/Jason Morse
Superintendent
Mendocino Unified School District

Argument In Favor of Measure H

Mendocino Unified School District

Safe and quality schools improve student achievement, improve property values, prepare children for a productive future, and serve as a focal point and source of pride for the community. Schools, when properly equipped, are also an important safety asset for the community. Classrooms and buildings in the Mendocino Unified School District need to be upgraded to provide students with the facilities they need to succeed and to provide the community with facilities that can serve multiple uses, including disaster preparedness.

While our facilities have been well maintained, outdated classrooms and buildings must be upgraded. A local school improvement measure would allow the District to improve the quality of the school facilities and their value to student education and the community. By investing in our schools, we can meet today's safety, technological, and educational standards, as well as better our community.

If passed, Measure H will provide funding to make critical facility improvements to Mendocino High and district facilities, including:

- Repairing or replacing leaky roofs and deteriorating plumbing and sewer systems
- Improved energy efficiency
- Upgrading inadequate electrical systems
- Modernizing and renovating outdated classrooms, restrooms, and facilities at Mendocino High School
- Repairing or replacing outdated heating and ventilation systems; and
- Installing generators to provide evacuation and disaster relief centers

Measure H makes financial sense and protects taxpayers.

- By law, spending must be reviewed and annually audited by an independent citizens' oversight committee.
- All bond funds must be spent locally and **cannot be taken by State.**
- Funds are required to be spent only on our local schools, not for administrator or teacher salaries.

Measure H upgrades and renovates classrooms, restrooms, and other school facilities, improves the education of local children, and maintains the quality and safety of our community. That's something we can all support. Please VOTE YES ON MEASURE H!

s/G. Annie Liner
Child Advocate

s/Barry Cusick
Broke Assoc Sothebys Intl Realty

s/Ted Williams
Supervisor - County

s/Dave Latoof
Chief, Mendocino Fire

s/Ruth Anne Rosenblum
Business Owner

**No Argument Against Measure H
was received.**