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RESOLUTION NO. 16-16

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**RESOLUTION OF THE BOARD OF TRUSTEES OF THE YUBA
COMMUNITY COLLEGE DISTRICT ORDERING AN ELECTION TO
AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION
BONDS, ESTABLISHING SPECIFICATIONS OF THE ELECTION
ORDER, AND REQUESTING CONSOLIDATION WITH OTHER
ELECTIONS OCCURRING ON NOVEMBER 8, 2016**

PLACER CO. CLERK
ELECTION DIVISION

WHEREAS, on November 7, 2000, the voters of the State of California approved Proposition 39 ("Proposition 39"), which amended Article XIII A of the California Constitution to allow for the levy of *ad valorem* property taxes for the payment of bonded indebtedness of a school district, community college district or county office of education approved by at least 55 percent of the voters voting on such proposition; and

WHEREAS, upon the passage of Proposition 39, the Strict Accountability in Local School Construction Bond Act of 2000, being California Education Code Section 15264 and following (the "Strict Accountability Act"), became operative; and

WHEREAS, pursuant to Proposition 39 and the Strict Accountability Act, on November 7, 2006, a bond election was conducted within the boundaries of the Yuba Community College District (the "District") on the question of authorizing the issuance of general obligation bonds of the District in the aggregate principal amount of \$190,000,000 (the "Measure J Bonds"), and more than 55 percent of the voters voting on the proposition approved the passage of Measure J; and

WHEREAS, the District has previously issued or caused to be issued four series of the Measure J Bonds in the aggregate principal amount of \$156,432,119.85, leaving \$33,567,880.15 of Measure J Bonds which have been authorized but unissued by the District (the "Unissued Measure J Bonds"); and

WHEREAS, Section 15268 of the Strict Accountability Act requires that at the time of issuance of any series of Measure J Bonds, that the District must project that the tax rate levied to pay debt service on such Measure J Bonds, together with debt service due on other series of Measure J Bonds which have previously been issued, will not exceed \$25 per year per \$100,000 of taxable property; and

WHEREAS, the Board of Trustees (the "Board") of the District has determined that the District will be unable to issue any additional series of the Unissued Measure J Bonds in the immediate future, due to an inability to make the tax rate projections required under the Strict Accountability Act, without issuing such bonds as long-term capital appreciation bonds which would result in excessive borrowing costs imposed on the property tax payers in the District; and

WHEREAS, the Board hereby finds and determines that there continues to be an urgent need in the District for the completion of the educational projects approved by District voters under Measure J and that no other District resources are available to finance such projects; and

WHEREAS, in order to complete the educational projects for which Measure J Bonds have been authorized, and to avoid excessive borrowing costs which would result from the issuance of long-term capital appreciation bonds, the Board has determined to call an election to submit to the electors of the District the question whether a new issue of general obligation bonds of the District (the "Reauthorized Bonds"), in an amount equal to the principal amount of the Unissued Measure J Bonds, shall be issued and sold for the purpose of raising money to complete the educational projects for which the Measure J Bonds have been authorized, through the acquisition and improvement of real property and the furnishing, building and equipping of school facilities of the District, all pursuant to the provisions of Proposition 39 and the Strict Accountability Act; and

WHEREAS, in order to ensure that the issuance of the Reauthorized Bonds will not result in an increase in the total authorized District debt pursuant to Measure J, the Board has determined and shall covenant that prior to issuing any series of Reauthorized Bonds, the Board will take all actions which are required in order to cancel a like aggregate principal amount of Measure J Bonds; and

WHEREAS, the Board is authorized to pursue the authorization and issuance of the Reauthorized Bonds under Article XIII A by a 55 percent vote of the electorate on the question whether bonds of the District shall be issued and sold for specified purposes; and

WHEREAS, under Section 10403 *et seq.* of 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 each of the counties of Yuba, Sutter, Colusa, Glenn, Lake, Yolo, Butte and Placer (collectively, the "Counties") to perform certain election services for the District;

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE YUBA COMMUNITY COLLEGE 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 District the question of whether general obligation bonds of the District shall be issued and sold in the principal amount of \$33,565,000 (the "Reauthorized Bonds") for the purposes described in the ballot measure approved under Section 3 and attached hereto as Exhibit A and Exhibit B, and paying costs incident thereto. This Resolution constitutes the order of the District to call such election and shall constitute the "specifications of the election order" pursuant to Education Code Section 5322.

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. The boundaries of the District have not changed since the District's last election.

Section 3. Purpose of Election; Ballot Measure. The purpose of the election shall be for the voters in the District to vote on a measure, a full copy of which is attached hereto as Exhibit A (the "Full Text of the Measure"), containing the question of whether the District shall issue the Reauthorized Bonds for the purposes stated therein, together with the accountability requirements of Article XIII A and the requirements of Section 15272 of the Act. The Full Text of the Measure, which includes all of the text set

forth in Exhibit A, shall be printed in the voter information pamphlet provided to voters, with such measure designation as is assigned to the measure. As required by Elections Code Section 13247 and Education Code Section 5322, the abbreviated form of the measure to appear on the ballot is attached hereto as Exhibit B and is marked as "Exhibit B – Ballot Measure – Abbreviated Form." The Chancellor and the Chief Business Officer of the District are each hereby authorized and directed to make any changes to the text of the measure (full text and/or abbreviated measure) as required to conform to any requirements of Article XIII A, the Act or the Registrar of Voters of each of the Counties (collectively, the "County Registrars").

Section 4. Authority for Election. The authority for ordering the election is contained in Section 15264 *et. seq.* of the Act 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. Proceeds for School Facilities Projects. The Board certifies that the proceeds from the sale of the Reauthorized Bonds will be used only for the purposes specified in Section 1(b)(3) of Article XIII A and as further specified in Exhibit A, and not for any other purpose, including teacher and administrator salaries and other school operating expenses. Further, as required by Article XIII A, the Board hereby certifies that it has evaluated safety, class size and information technology needs in developing the list of school facilities projects set forth in Exhibit A.

Section 6. No Increase in District Debt; Cancellation of Unissued Measure J Bonds. The aggregate original principal amount of all of the Measure J Bonds which are issued by the District, together with the aggregate original principal amount of the Reauthorized Bonds which are issued by the District, shall not exceed \$190,000,000, being the original authorized amount of the Measure J Bonds. To that end, the Board hereby covenants as follows:

- (a) prior to the issuance of any series of the Reauthorized Bonds, the Board shall adopt a resolution petitioning the Board of Supervisors of Yuba County to cause the Unissued Measure J Bonds to be canceled in a principal amount equal to the principal amount of such series of Reauthorized Bonds; and
- (b) under any circumstances, including but not limited to a failure or refusal by Yuba County to cancel a portion of the Unissued Measure J Bonds, the Board shall not authorize the issuance of any Unissued Measure J Bonds or Reauthorized Bonds if such issuance would cause the aggregate original principal amount of all of the Measure J Bonds which are issued by the District, together with the aggregate original principal amount of the Reauthorized Bonds which are issued by the District, to exceed \$190,000,000.

Section 7. Covenants of the Board upon Approval of the Reauthorized Bonds by the Electorate; Accountability Measures. As required by Article XIII A, 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 Reauthorized Bonds, the Board shall:

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

Section 8. Delivery of this Resolution. The Clerk of the Board is hereby directed to send a copy of this Resolution to (1) the County Superintendent of Schools of each of the Counties, (2) the County Registrars and (3) the Clerk of the Board of Supervisors of each of the Counties. Pursuant to Education Code Section 5322, the Resolution shall be received by the County Registrars no later than 88 days prior to the election date, unless otherwise permitted by law.

The County Registrars are hereby requested to print the Full Text of the Measure in the ballot materials as it appears on Exhibit A hereto and to provide all required notices of the election and other notices related thereto.

Section 9. Consolidation of Election; Request to Provide Services. The County Registrars and the Board of Supervisors of each of the Counties 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. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of each of the Counties is requested to permit the related County Registrar 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 Counties in full from District funds upon presentation of a bill from the Counties, 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 10. Ballot Arguments; Tax Rate Statement. As provided in Elections Code Section 9501, any and all members of the Board are hereby authorized to act as an author of any ballot argument prepared in connection with the election, including a rebuttal argument. The President of the Board, the Chancellor, the Chief Business Officer or any designee of the foregoing, 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 11. Maturity Limit of Reauthorized Bonds. The Reauthorized Bonds may be issued in series by the District from time to time, and each series of Bonds shall mature not more than the legal limit at the time of such issuance thereof. The Reauthorized Bonds shall be issued under the Act, under the provisions of Section 53506 *et seq.* of the California Government Code, or under any other provision of law authorizing the issuance of general obligation bonds by school districts.

Section 12. Engagement of Professional Services. The firm of Dale Scott & Company is hereby appointed to serve as financial advisor and the firm of Jones Hall, A Professional Law Corporation, a nationally recognized bond counsel firm, is hereby appointed to serve as bond counsel and disclosure counsel, each in connection with the bond election and, if successful, subsequent bond issuances. The Chancellor or the Chief Business Officer of the District are each hereby separately authorized and directed to execute agreements with the such firms in the respective forms on file with the Chief Business Officer.

Section 13. Effective Date. This resolution shall take effect on and after its adoption.

The foregoing Resolution was adopted by the Board of Trustees of the Yuba Community College District, being the Board authorized by law to make the designations therein contained by the following vote, on ~~May~~ June 9, 2016.

Ayes: M. Pasquale, G. Sandy, V. Richard Savarese, X. Tafuya,
R. Teagarden, D. Wheeler

Noes:

Absent: Brent Hastey

Absention:



Clerk of the Board of Trustees
of the Yuba Community College District

EXHIBIT A

**BALLOT MEASURE
FULL TEXT**

To continue repairing, renovating, constructing and equipping classrooms/facilities at the campuses of Yuba and Woodland Colleges including nursing, healthcare, science, technology, engineering, fire and police training classrooms, shall \$33,565,000 of Yuba Community College District Bonds, previously approved by voters in November 2006, be reauthorized through issuance of new bonds with no increase in total authorized District debt, interest rates below the legal limit, independent citizen oversight, and all funds used locally and not taken by the State?

Bonds—Yes

Bonds—No

BOND AUTHORIZATION

By approval of this measure by at least 55 percent of the registered voters voting on the measure, the District will be authorized to issue and sell bonds of up to \$33,565,000 in aggregated principal at interest rates not in excess of the legal limit and to provide financing for the specific school facilities projects listed in the Bond Project List described below, subject to all the accountability requirements specified below.

The Bonds may be issued under the provisions of the California Education Code (starting at Section 15100), under the provisions of the California Government Code (starting at Section 53506), or under any other provision of law authorizing the issuance of general obligation bonds by school districts. The Bonds may be issued in series by the District from time to time, and each series of Bonds shall mature within the legal limitations set forth in the applicable law under which the Bonds are issued.

District voters previously approved Measure J at an election held in the District on November 7, 2006. However, due to State law limitations imposed on the issuance of bonds under Measure J, the District estimates that it will be unable to issue any additional Measure J Bonds in the immediate future. The Board of Trustees of the District has found and determined that there continues to be an urgent need in the District for the completion of the educational projects approved by District voters under Measure J, and that no other District resources are available to finance such projects. If the Bonds are approved and issued, the Board of Trustees of the District has covenanted that it will cancel and shall not authorize the issuance of Measure J Bonds in a like amount.

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 Board of Trustees of the District (the "Board of Trustees") has identified detailed facilities needs of the District and has determined which projects to finance from a local bond at this time. The Board of Trustees has certified that it has evaluated safety, class size reduction, enrollment growth, and information technology needs in developing the Bond Project List shown below.

Independent Citizens' Oversight Committee. The Board of Trustees shall establish an Independent Citizens' Oversight Committee under Education Code Section 15278 and following to ensure that bond proceeds are expended only on the 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 Board of Trustees.

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 below.

Financial Audits. The Board of Trustees shall conduct an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed 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 Yuba County Treasurer-Tax Collector, as required by the California Education Code, and (4) the Chief Business Officer 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.

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 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 could be subject to appropriation by the Legislature or approval of a statewide bond measure.

BOND PROJECT LIST

Scope of Projects. Bond proceeds will be expended to modernize, replace, renovate, construct, acquire, equip, furnish, rebuild and otherwise improve educational and support facilities within the District. Projects which are described below include all related and incidental costs, including their share of the costs of the election and bond issuance and costs of design, engineering, architect and other professional services, inspections, site preparation, utilities, and other planning, legal, accounting and similar costs, independent annual financial and performance audits, a customary contingency, and other costs incidental to and necessary for completion of the listed projects.

Bond proceeds may also be expended to acquire equipment in any classroom or other educational facility within the District. The District may alter the scope and nature of any of the specific projects that are described below as required by conditions that arise over time.

RENOVATION, MODERNIZATION, REPAIR AND CONSTRUCTION OF SCHOOL FACILITIES

Bond proceeds will be expended to modernize, replace, renovate, construct, acquire, equip, rebuild and furnish the District's classrooms, restrooms, and other educational and joint-use facilities including those located at:

**YUBA COLLEGE, MARYSVILLE CAMPUS
YUBA COLLEGE, LAKE COUNTY CAMPUS
SUTTER COUNTY CENTER
WOODLAND COMMUNITY COLLEGE
COLUSA COUNTY CENTER**

Whenever specific items are not included in the following list, they are presented to provide an example and are not intended to limit the generality of the broader description of authorized projects. The order in which particular projects are listed is not intended to indicate priority for funding or completion.

- Renovate, construct, expand and equip classrooms and labs devoted to general education, childhood development education, math, sciences, technology, engineering, fire and police training programs and veterinarian technology programs.

- Repair and/or replace classrooms, buildings and other educational facilities and areas including but not limited to:
 - Leaky roofs
 - Decaying walls, old ceiling tiles and flooring
 - Plumbing, sewer and drainage systems
 - Electrical systems and wiring
 - Deteriorated restrooms
 - Heating, ventilation and cooling systems
 - Irrigation piping systems
 - Wiring/wireless technologies for classrooms and other student learning areas and other campus buildings and facilities
- Acquire equipment to increase safety and reduce fire hazards with alarms, smoke detectors, fire safety doors and sprinklers
- Acquire land to expand educational facilities
- Meet legal requirements for disabled access
- Renovate existing classrooms and vocational training facilities to insure that they are safe, energy efficient and provide access to state-of-the-art computers and instructional technology
- Repair, renovate, acquire and expand facilities and equipment to allow students more access to vocational education and two-year degree programs
- Renovate, relocate, repair, or replace obsolete classrooms, buildings, facilities and grounds
- Upgrade educational facilities to include educational equipment and laboratories
- Increase permanent classroom and facility capacity for academic and job training classes, general education programs including math, sciences, upgrade science labs, childhood development education, and veterinarian technology programs
- Upgrade campus technology, and construct "smart / shared learning classrooms" to improve technology-enhanced active-engaging learning
- Demolish deteriorated buildings
- Remove all harmful asbestos, install security systems and access control systems, enhance emergency communications systems, install emergency lighting, signage, and door locks and fences
- Repair, replace and upgrade electrical and mechanical systems to reduce energy consumption

- Improve campus road network and surfacing, reseal and restripe parking areas, improve pedestrian safety and increase access for emergency vehicles

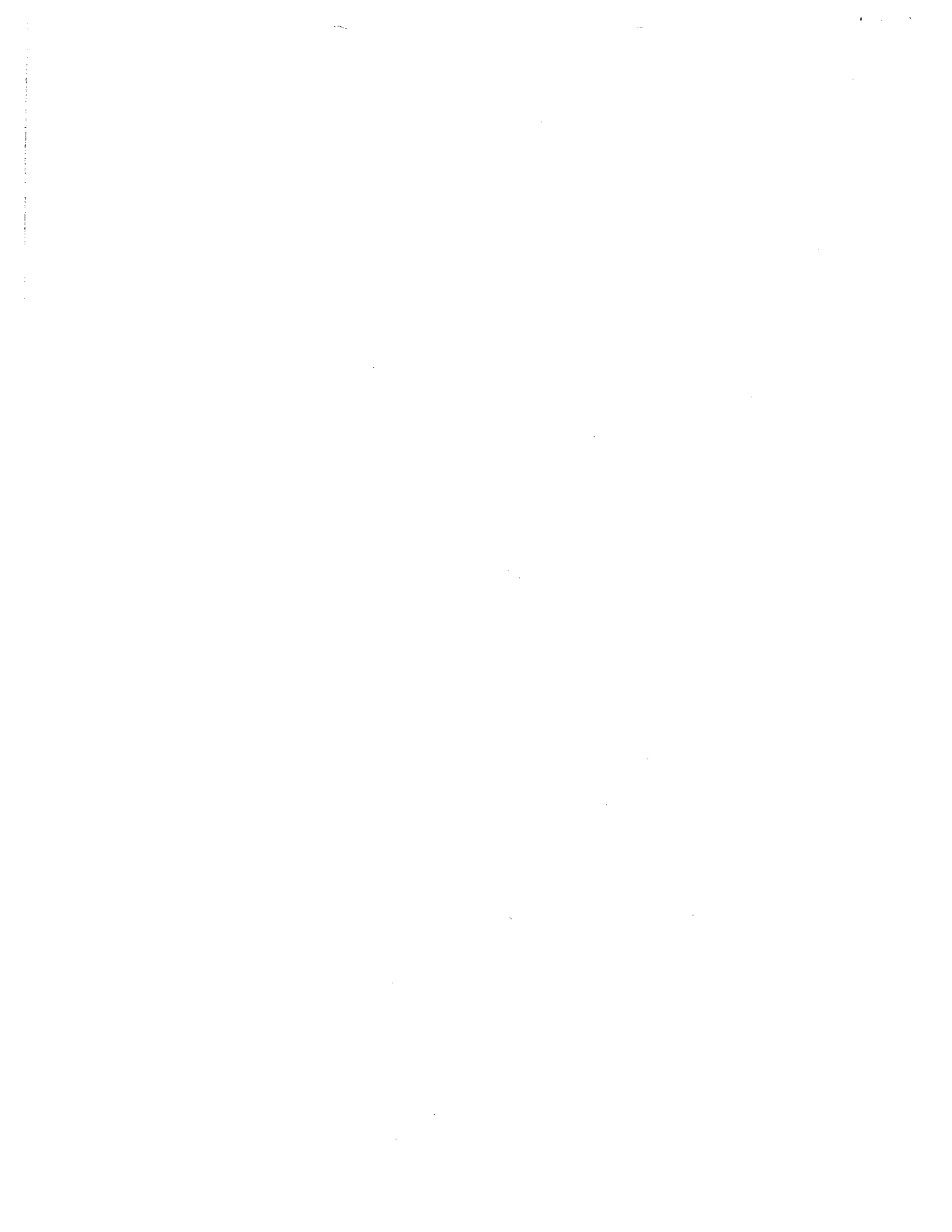
EXHIBIT B

**BALLOT MEASURE
ABBREVIATED FORM**

To continue repairing, renovating, constructing and equipping classrooms/facilities at the campuses of Yuba and Woodland Colleges including nursing, healthcare, science, technology, engineering, fire and police training classrooms, shall \$33,565,000 of Yuba Community College District Bonds, previously approved by voters in November 2006, be reauthorized through issuance of new bonds with no increase in total authorized District debt, interest rates below the legal limit, independent citizen oversight, and all funds used locally and not taken by the State?

Bonds—Yes

Bonds—No



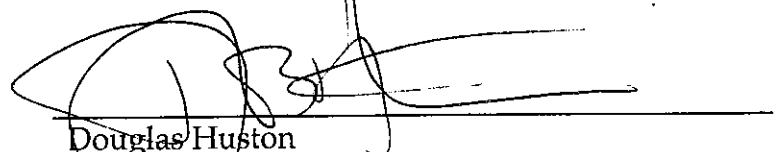
**Yuba Community College District
Tax Rate Statement for
Bond Measure __ Election to be held November 8, 2016**

An election will be held in Yuba Community College District (the "District") on November 8, 2016 to reauthorize the sale of \$33,565,000 in general obligation bonds previously approved by voters . 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 \$.00918 per \$100 (\$9.18 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 \$.00918 per \$100 (\$9.18 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 \$.00918 per \$100 (\$9.18 per \$100,000) of assessed valuation.
4. The best estimate of the average tax rate required to fund this bond issue, based on a projection of assessed valuations available at the time of filing of this statement, is \$.00918 per \$100 (\$9.18 per \$100,000) of assessed valuation.
5. The best estimate of the total debt service, including principal and interest, that would be required to be repaid if all the bonds are issued and sold is \$42,823,000.

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: June 27, 2016



Douglas Huston
Chancellor
Yuba Community College District

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PLACER CO. CLERK
ELECTION DIVISION