

Hawthorne School District
14120 Hawthorne Blvd.
Hawthorne, CA 90250

February 21, 2018

**2017-2018
RESOLUTION NO. 14**

**RESOLUTION OF THE BOARD OF TRUSTEES OF
HAWTHORNE SCHOOL DISTRICT ORDERING AN
ELECTION, AND ESTABLISHING SPECIFICATIONS OF
THE ELECTION ORDER**

WHEREAS, the Board of Trustees (the “Board”) of the Hawthorne School District (the “District”) is committed to maintaining the quality of education in local public schools by updating classroom technology, improving school safety, and making basic repairs to all schools; and

WHEREAS, since the District wants our students prepared to succeed in a 21st Century economy, children need updated full-service schools which are accessible, clean and safe learning environments; and

WHEREAS, the Board believes that to achieve that goal the District must maintain and repair classrooms, facilities and equipment, as needed, so that all facilities and campuses are efficient, safe, secure and up-to-date, all of which are critical for student health and academic performance; and

WHEREAS, the State of California (the “State”) does not provide the District with enough money for the District to adequately upgrade its educational facilities and academic programs; and

WHEREAS, the Board has concluded that the District’s only remedy to avoid undermining its educational programs is to secure local funding that the State cannot take away; and

WHEREAS, the Board has received information regarding the possibility of a local bond measure and its impact on protecting student safety, improving schools and making basic repairs to aging facilities; and

WHEREAS, most local Hawthorne schools were built over 65 years ago and need significant repairs, including a school that is over 75 years old, and in order to maintain our award-winning education, the District must invest in updating core operating infrastructure technology and its classrooms; and

WHEREAS, such a bond measure also can provide funds that cannot be taken away by the State; and

WHEREAS, such a measure must include mandatory taxpayer protections, including an independent citizens’ oversight committee and mandatory audits to ensure funds are spent properly; and

WHEREAS, on November 7, 2000, the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act (“Proposition 39”) which reduced the voter threshold

for *ad valorem* tax levies used to pay for debt service on bonded indebtedness to 55% of the votes cast on a school district general obligation bond; and

WHEREAS, concurrent with the passage of Proposition 39, Chapter 1.5, Part 10, Division 1, Title 1 (commencing with Section 15264) of the Education Code (the “Act”) became operative and established requirements associated with the implementation of Proposition 39; and

WHEREAS, the Board desires to make certain findings herein to be applicable to this election order and to establish certain performance audits, standards of financial accountability and citizen oversight that are contained in Proposition 39 and the Act; and

WHEREAS, the Board desires to authorize the submission of a proposition to the District’s voters at an election to authorize the issuance of bonds to pay for certain necessary improvements and enhancements to District educational facilities; and

WHEREAS, the Board hereby determines that, in accordance with Opinion No. 04-110 of the Attorney General of the State of California, the restrictions in Proposition 39 which prohibit any bond money from being wasted or used for inappropriate administrative salaries or other operating expenses of the District shall be monitored strictly by the District’s Citizens’ Oversight Committee; and

WHEREAS, pursuant to Education Code Section 15270, based upon a projection of assessed property valuation, the Board has determined that, if approved by voters, the tax rate levied to meet the debt service requirements of the bonds proposed to be issued will not exceed the Proposition 39 limits per year per \$100,000 of assessed valuation of taxable property; and

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

WHEREAS, the Board desires to authorize the filing of a tax rate statement and ballot argument in favor of the proposition to be submitted to the voters at the election; and

WHEREAS, pursuant to the 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, June 5, 2018, and to request the Los Angeles County Registrar of Voters to perform certain election services for the District.

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

Section 1. That the Board, pursuant to Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506, hereby requests the Los Angeles County Registrar of Voters to conduct an election under the provisions of Proposition 39 and the Act and submit to the electors of the District the question of whether bonds of the District in the aggregate principal amount of up to \$59,000,000 (the "Bonds") shall be issued and sold for the purpose of raising money for the projects described in Exhibits "A" and "B" hereto. Both exhibits are directed to be printed in the voter pamphlet. The District's Superintendent, or designee, is hereby authorized and directed to make any changes to the text of the measure, or to the abbreviated form of the measure, as may be convenient or necessary to comply with the intent of this Resolution, the requirements of elections officials, and requirements of law.

Section 2. That the date of the election shall be June 5, 2018.

Section 3. That the purpose of the election shall be for the voters in the District to vote on a proposition, a copy of which is attached hereto and marked Exhibit "A," incorporated by reference herein, and containing the question of whether the District shall issue the Bonds to pay for improvements to the extent permitted by such proposition. In compliance with Proposition 39 and the Act, the ballot propositions in Exhibits "A" and "B" are subject to the following requirements and determinations:

(a) the proceeds of the sale of the Bonds shall be used only for the purposes set forth in the ballot measure and not for any other purpose, including teacher or administrator salaries or other school operating expenses;

(b) that the Board, in establishing the projects set forth in Exhibit "B," evaluated student safety and security, class size reduction, and educational and information technology needs of the District;

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

(d) that the Board shall cause an annual, independent financial audit of the proceeds from the sale of Bonds to be conducted until all of the Bond proceeds have been expended;

(e) that the Board will cause the appointment of a Citizens' Oversight Committee in compliance with Education Code Section 15278 no later than 60 days after the Board enters the election results in its minutes pursuant to Education Code Section 15274. The Citizens' Oversight Committee shall initially consist of at least seven (7) members and at no time consist of less than seven (7) members, with the possible exception of brief periods to fill any unexpected vacancies. The Citizens' Oversight Committee may not include any employee or official of the District or any vendor, contractor or consultant of the District. The Citizens' Oversight Committee shall include all of the following: One (1) member who is active in a business organization representing the business community located within the District; One (1) member who is active in a senior citizens' organization; One member who is active in a bona fide taxpayer association; One (1) member who is a parent of a child in the District schools; One (1) member is both a parent of a child in the District schools and active in a school site

council or PTA/PTO. In furtherance of its specifically enumerated purposes, the Citizens' Oversight Committee may engage in any of the following activities relating solely and exclusively to the expenditure of the Proposition 39 bond proceeds:

- (i) Receive and review copies of the annual, independent financial and performance audits performed by independent consultant(s);
- (ii) Inspect District facilities and grounds to ensure that Proposition 39 bond revenues are expended in compliance with applicable law;
- (iii) Receive and review copies of all deferred maintenance proposals or plans developed by the District;
- (iv) Review efforts of the District to maximize Proposition 39 bond revenues by implementing cost-saving programs;
- (v) Receive from the Board, within three months of District receiving the above-referenced audits, responses to any and all findings, recommendations, and concerns addressed in said audits, and review said responses; and
- (f) that the tax levy authorized to secure the Bonds of this election shall not exceed the Proposition 39 limits per \$100,000 of taxable property in the District when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution.

Section 4. That the authority for ordering the election is contained in Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506.

Section 5. That the authority for the specifications of this election order is contained in Education Code Sections 5322.

Section 6. That the Los Angeles County Registrar of Voters and the Los Angeles County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on June 5, 2018 within the District. Pursuant to Elections Code Section 10403, the Board acknowledges that the consolidation election will be held and conducted in the manner described in Elections Code Section 10408.

Section 7. That the Secretary of the Board is hereby directed to deliver a certified copy of this Resolution to the Los Angeles County Registrar of Voters no later than March 9, 2018.

Section 8. The Bonds shall be issued pursuant to Section 15264 *et seq.* of the Education Code or pursuant to Government Code Section 53506. The maximum rate of interest on any Bond shall not exceed the maximum rate allowed by Education Code Sections 15140 to 15143, as modified by Government Code Section 53531.

Section 9. That the Board requests the governing body of any such other political subdivision, or any officer otherwise authorized by law, to partially or completely consolidate such election and to further provide that the canvass of the returns of the election be made by anybody or official authorized by law to canvass such returns, and that the Board consents to such consolidation. The Board further authorizes the submission of a tax rate statement and primary and rebuttal

arguments, as appropriate, to be filed with the Los Angeles County Registrar of Voters by the established deadlines.

Section 10. Pursuant to Education Code Section 5303 and Elections Code Section 10002, the Board of Supervisors of Los Angeles County is requested to permit the Registrar of Voters to render all services specified by Elections Code Section 10418 relating to the election, for which services the District agrees to reimburse Los Angeles County, such services to include the publication of a Formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Elections Code Section 9401) pursuant to the terms of Section 5363 of the Education Code and Elections Code Section 12112.

ADOPTED, SIGNED AND APPROVED this 21st day of February, 2018.

**BOARD OF TRUSTEES OF THE HAWTHORNE
SCHOOL DISTRICT**

By _____
Eugene M. Krank, President

Attest:

Helen E. Morgan, Secretary

STATE OF CALIFORNIA)
)ss
LOS ANGELES COUNTY)

I, Helen E. Morgan, do hereby certify that the foregoing is a true and correct copy of 2017-2018 Resolution No. 14, which was duly adopted by the Board of Trustees of Hawthorne School District at the meeting thereof held on the 21st day of February, 2018, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

By _____
Helen E. Morgan, Secretary

EXHIBIT A

“HAWTHORNE SCHOOL DISTRICT SCHOOL REPAIR/IMPROVEMENT MEASURE. To repair aging classrooms, ensure student health, safety and achievement and keep pace with technology, upgrade aging plumbing, electrical, lighting, heating/ventilation, safety/security systems, shall this Hawthorne School District measure be adopted to repair, construct, acquire classrooms, sites/equipment, and issue \$59,000,000 in bonds, at legal rates, levy on average 3 cents/\$100 assessed value (\$3,000,000 annually) while bonds are outstanding, require independent audits/oversight, and all money for local schools?”

Bonds: Yes_____

No_____

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE HAWTHORNE SCHOOL DISTRICT BOND MEASURE ELECTION JUNE 5, 2018

The following is the full proposition presented to the voters by the Hawthorne School District.

“HAWTHORNE SCHOOL DISTRICT SCHOOL REPAIR/IMPROVEMENT MEASURE. To repair aging classrooms, ensure student health, safety and achievement and keep pace with technology, upgrade aging plumbing, electrical, lighting, heating/ventilation, safety/security systems, shall this Hawthorne School District measure be adopted to repair, construct, acquire classrooms, sites/equipment, and issue \$59,000,000 in bonds, at legal rates, levy on average 3 cents/\$100 assessed value (\$3,000,000 annually) while bonds are outstanding, require independent audits/oversight, and all money for local schools?”

PROJECT LIST

The Board of Trustees (“Board”) of the Hawthorne School District is committed to **repairing old schools** by fixing deteriorating classrooms, and **ensuring the safety and security of all students**. To that end, the Board received input from teachers, staff and the community and evaluated the District’s urgent and critical facility needs, including the need for up-to-date technology, safety issues, class size reduction, computer and information technology, and prepared a Facilities Needs Assessment, dated as of January 2016, which Assessment is incorporated herein in its entirety, in developing the scope of projects to be funded. **Therefore, in approving this Project List, the Board of Education determines that the District must:**

- (i) **Provide clean and safe classrooms, and a quality learning environment for current and future local students; and**
- (ii) **Upgrade classrooms and computer systems to keep pace with technology; and**
- (iii) **Upgrade deteriorating heating, ventilation, plumbing and electrical systems; and**
- (iv) **Update accessibility for disabled persons; and**
- (v) **Adhere to specific fiscal accountability safeguards such as:**
 - (a) **ENSURE ALL FUNDS ARE ONLY USED LOCALLY,**
 - (b) **Prohibited the State from taking any of the funds raised,**
 - (c) **REQUIRE THAT EXPENDITURES MUST BE SUBJECT TO ANNUAL INDEPENDENT FINANCIAL AUDITS, AND**
 - (d) **Require independent citizens’ oversight of bond funds.**

The Project List includes the following types of upgrades and improvements at the following District schools, with their year of construction:

Eucalyptus ES (1950)

Jefferson ES (1949)

Kornblum ES (2000)

Ramona ES (1949)

Washington ES (1939)

York ES (1950)

Zela Davis ES (1950)

Prairie Vista MS (2007)

Bud Carson MS (1955)

Hawthorne MS (1949)

REPAIR OLD SCHOOLS: **Renovation, Repair and Upgrade Projects**

Goal and Purpose: Most local schools were built over 65 years ago and need significant repairs. This measure will fix deteriorating classrooms, bathrooms, and replace outdated air conditioning, heating and electrical systems so children can learn in safe, healthy classrooms.

- Replace aging water pipes, and drinking fountains.
- Repair aging classrooms, bathrooms and windows.
- Improve accessibility for disabled persons.
- Upgrade outdated heating, ventilation, plumbing and electrical systems and gas lines.
- Upgrade fire alarms systems, including fire safety doors, smoke alarms, and detectors.
- Upgrade classrooms, labs and computer systems to keep pace with technology.

STUDENT HEALTH AND SAFETY: **Student Safety and Security Projects**

- Upgrade fire safety systems.
- Replace alarm systems.
- Improve student safety and campus security systems, including security lighting, cameras, locks, and emergency communication systems.
- Improve security fencing.
- Provide disabled accessibility.

- Ensure children's playground structures and equipment meet current health and safety standards.

UPGRADE TECHNOLOGY:
District-Wide Technology and Wiring Projects
To Provide a 21st Century Education

- Upgrade electrical systems and wiring for computer technology and internet access.
- Increase Wi-Fi access and wireless capability

* * *

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 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 payment of the costs of preparation of all facility planning, facility assessment reviews and master plans, environmental studies, construction documentation, inspection and permit fees, and temporary housing of dislocated District activities caused by bond projects, as well as the refinancing of outstanding lease obligations. The upgrading of technology infrastructure includes, but is not limited to, servers, switches, routers, modules, computers, district-wide computer labs upgrades, smart boards, cameras, sound projection systems, wiring classrooms for internet connectivity, wireless networks, wireless access points and controllers, portable interface devices, mobile device management systems, printers, upgraded voice-over-IP, phone systems, call manager and network security/firewall, and other miscellaneous equipment. The repair and improvement of school facilities, including improvements at the District's central office, the maintenance yard, print shop and other District locations, include the following types of projects: install, acquire or repair energy efficiency improvements for school buildings, energy efficient lighting, air conditioning, heating, insulation and ceiling systems, and windows; construct, upgrade, repair or install school site parking, campus accessibility, utilities, plumbing, gas lines, playground equipment, hard court surfaces, general site paving, learning walls, tack boards, cabinets, tutoring rooms, restrooms, roofs, interior and exterior lighting, water heaters, boilers, walkway covers and casework, bell/clock systems, signage, electronic marquees, asphalt, fire sensors, shade structures, outdated heating systems, multipurpose rooms used for after-school programs, assemblies, sports, and performing arts, playgrounds, play areas, including turf and artificial turf; remove asbestos; renovate, upgrade or relocate site classrooms and administration buildings, staff lounges, areas for special need students and staff, parent welcome centers or permit office; construct or upgrade child care/pre-school facilities; upgrades and reconfigure parking lots and drop off/pick up zones to improve student safety; make facility improvements for earthquake safety; upgrade electrical wiring and systems; renovate and paint interior and exterior building surfaces to extend their useful life; improve security, install safety, security and communication systems and equipment, windows and floor coverings (including tiles and carpeting); build or upgrade irrigation systems; upgrade school offices, including furnishings; make improvements and acquire furnishings and/or other electronic equipment and systems. The allocation of bond proceeds may 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. Some projects throughout the District may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. 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.

Bond proceeds shall be expended only for the specific purposes identified herein. 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 the bond projects. 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.

FISCAL ACCOUNTABILITY: IN ACCORDANCE WITH EDUCATION CODE SECTION 15272, THE BOARD OF EDUCATION WILL APPOINT A CITIZENS' OVERSIGHT COMMITTEE AND CONDUCT ANNUAL INDEPENDENT AUDITS TO ASSURE THAT FUNDS ARE SPENT ONLY ON DISTRICT PROJECTS AND FOR NO OTHER PURPOSE. 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' OVERSIGHT COMMITTEE TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS' OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATION 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' OVERSIGHT COMMITTEE.

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 school facilities, and not for any other purpose, including teacher and school administrator salaries and other operating expenses. Bond funds shall not be temporarily transferred to the District's general fund for administrative purposes.