

VOTER'S PAMPHLET

MEASURES, ANALYSES AND ARGUMENTS

(whichever is applicable to your ballot)

Arguments in support of, or in opposition to, the proposed laws are the opinions of the authors.

SCOTTS VALLEY UNIFIED SCHOOL DISTRICT

A To replace the 70-year old Middle School with a new school, with up-to-date computer/learning technology, science labs, code-compliant/energy-efficient electrical, plumbing, heating/cooling systems; upgrade, construct, acquire classrooms, schools, facilities, sites/equipment that meet accessibility requirements; make needed seismic repairs at elementary schools, and qualify for State matching funds, shall Scotts Valley Unified School District issue \$35,000,000 in bonds, at legal rates, with independent oversight, no funds for administrators, all funds staying local?

FULL TEXT OF BALLOT MEASURE A

The following is the full proposition presented to the voters by the Scotts Valley Unified School District.

"To replace the 70-year old Middle School with a new school, with up-to-date computer/learning technology, science labs, code-complaint/energy-efficient electrical, plumbing, heating/cooling systems; upgrade, construct, acquire classrooms, schools, facilities, sites/equipment that meet accessibility requirements; make needed seismic repairs at elementary schools, and qualify for State matching funds, shall Scotts Valley Unified School District issue \$35,000,000 in bonds, at legal rates, with independent oversight, no funds for administrators, all funds staying local?"

PROJECT LIST

The Board of Education of the Scotts Valley Unified School District is committed to improve the quality of education by providing students and teachers with safe and secure facilities with up-to-date technology infrastructure needed to prepare students for 21st Century academic standards and jobs. To that end, the Board evaluated the District's urgent and critical facility needs, including safety issues, safe learning environments, class size reduction, computer and information technology, and prepared a Strategic Plan 2013-14, approved by the Board on June 25, 2013, which is incorporated herein in its entirety, to develop the scope of projects to be funded. The District conducted a facilities evaluation and received public input in developing this Project List. Teachers, staff, community members and the Board have prioritized the key health and safety needs so that the most critical facility needs are addressed. The Board concluded that if these needs are not addressed now, the problems will only become more pressing and expensive to address. **Therefore, in approving this Project List, the Board of Education determines that the District MUST:**

(i) **Replace Scotts Valley Middle School with a new, safe, healthy learning environment with up-to-date computer/learning technology, science labs and classrooms that meet 21st Century learning standards, and which are accessible to students and teachers with disabilities.**

(ii) **Improve the earthquake and fire safety of both elementary schools so that they meet current State safety standards.**

(iii) **At the Middle School, replace 1950's era science labs with modern labs and up-to-date science equipment.**

(iv) **Upgrade technology infrastructure.**

(v) **Adhere to specific fiscal accountability safeguards such as:**

(a) **Prohibit the State from taking any of the funds raised.**

(b) **All expenditures will be subject to annual independent financial audits.**

(c) **No funds will be used for administrators' salaries and/or pensions.**

(d) **All funds will stay in the District and be subject to local control.**

(e) **An independent Citizens' Oversight Committee will be appointed to ensure that all funds are spent only as authorized.**

The Project List includes the following types of upgrades and improvements:

Construct New Scotts Valley Middle School

Goal and Purpose: To provide local funds which cannot be taken away by the State, and which would make the District eligible for State matching funds, Scotts Valley Middle School would benefit from the construction of new accessibility code compliant facilities, such as:

- Build new, asbestos and dry-rot free, classrooms and earthquake safe classroom buildings.
- Provide library, gym, art and music rooms.
- Provide up-to-date electrical systems which will support 21st Century learning technology.
- Provide new multi-purpose/assembly rooms, educational support facilities, and properly working bathrooms.
- Provide updated science labs.
- Install up-to-date fire and security alarm systems so students are safe.
- Satisfy accessibility upgrades as mandated by the Division of the State Architect (DSA) so that classrooms are accessible to students and teachers with disabilities.
- Provide safer student drop-off and pick-up zones.
- Provide energy-efficient heating, ventilation and air conditioning systems which will save money on utility bills.

Elementary School Safety Projects

Goal and Purpose: Since good, safe and up-to-date schools help protect and improve local property values and, improve the quality of teaching, the District's two elementary schools and school sites will benefit from earthquake and fire safety projects, such as:

- Improve the **earthquake safety** of school buildings.
- Ensure that school buildings meet current State earthquake and fire safety standards.
- Upgrade schools to meet handicap accessibility requirements, as required.

District-Wide Instructional Technology and Infrastructure Projects To Standardize Learning Spaces for 21st Century Skills

Goal and Purpose: To the extent there are surplus funds after the Middle School and earthquake safety projects are approved, since there are many classrooms in Scotts Valley schools that are old, school electrical systems need to be upgraded so that Scotts Valley schools can offer 21st Century learning technology and computer science to students:

- Upgrade and expand wireless systems, telecommunications, Internet and network connections, and technology infrastructure.
- **Upgrade and repair aging school electrical systems so that schools can have modern computers and learning technology.**

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 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, environmental studies, construction documentation, inspection and permit fees, and temporary housing of dislocated District activities caused by bond projects. The construction of school facilities may include upgrading school site parking, campus accessibility, roadways, entrances and exits, utilities, irrigation systems, grounds, playground equipment, hard court surfaces, concrete, asphalt and brick surfaces, shade structures for student assembly and protecting students from inclement weather during lunch, and District support facilities; installing enhanced signage and fire sensors; improving restrooms and drinking fountains; upgrading heating, ventilation and air conditioning systems, athletic facilities, gyms, and play fields for safety and operational efficiency; painting interior and exterior building surfaces to

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extend their useful life; installing security, safety and communication systems and equipment; and replacing portable classrooms. The upgrading of technology infrastructure includes, but is not limited to servers, switches, routers, modules, smart boards, sound projection systems, printers, digital white boards, document projectors, upgrade voice-over-IP, call manager and network security/firewall, and other miscellaneous technology equipment. The Project List also includes the refinancing of any outstanding lease obligations, or the bridge loans taken to initiate voter approved projects; the financing/refinancing of real property acquisition and improvements; and acquiring land, making site improvements, building infrastructure and/or constructing additional facilities thereon, for the purpose of expanding instructional programs to meet future educational demands. The allocation of bond proceeds may be affected by the District's receipt of State matching funds and the final costs of each project. In the absence of State matching funds, which the District will pursue to reduce the District's share of the costs of the projects, the District may not be able to complete some of the projects listed above. 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.

TAX RATE STATEMENT FOR BOND MEASURE A

TAX RATE STATEMENT
REGARDING PROPOSED
\$35,000,000

SCOTTS VALLEY UNIFIED SCHOOL DISTRICT
GENERAL OBLIGATION BONDS

An election will be held in the Scotts Valley Unified School District (the "District") on June 3, 2014, to authorize the sale of up to \$35,000,000 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 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 tax rate which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the first series of bonds, based on a projection of assessed valuations available at the time of filing of this statement, is \$0.057 per \$100 of assessed valuation (or \$57.00 per \$100,000 of assessed value) for fiscal year 2014-15.
2. The best estimate of the tax rate which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the last series of bonds, based on a projection of assessed valuations available at the time of filing of this statement, is \$0.057 per \$100 of assessed valuation (or \$57.00 per \$100,000 of assessed value) for fiscal year 2016-17.
3. 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 \$0.057 per \$100 of assessed valuation (or \$57.00 per \$100,000 of assessed value), for fiscal year 2017-18.

Voters should note the estimated tax rate is based on the ASSESSED VALUE of taxable property on the County's official tax rolls, *not* on the property's market value. 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 are not binding upon the District. 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 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 date of sale and the amount of bonds sold at any given time will be determined by the District based on the need for project funds and other factors. The actual interest rates at which the bonds will be sold will depend on 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/ Penny Weaver, Superintendent
Scotts Valley Unified School District

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IMPARTIAL ANALYSIS BY COUNTY COUNSEL
MEASURE A

If approved by at least fifty-five percent of those voting on the measure, this measure will authorize the Scotts Valley Unified School District (the "District") to issue bonds in an aggregate principal amount not exceeding \$35,000,000. The bonds would constitute an indebtedness of the District.

The money raised through the sale of the bonds may only be used by the District for the purposes stated in the full text ballot proposition and ballot question and not for any other purpose, such as teacher or administrator salaries or other operating expenses. To ensure that the bond monies are expended for the approved purposes, the Board of Trustees of the District will cause annual, independent performance and financial audits to be conducted, and it also will cause the appointment of a citizens' oversight committee.

The interest paid on the bonds and their terms to maturity will be limited by State law.

Payment of interest and principal relating to the bonds would be financed by a tax levied on real property within the District. The Tax Rate Statement for Measure A which is printed in this ballot pamphlet provides information about that tax.

This measure was placed on the ballot by the District's Board of Trustees.

A "yes" vote on Measure A is a vote to authorize the bonds to be issued and financed by ad valorem taxes levied on real property in the School District.

A "no" vote on Measure A is a vote against issuing the proposed bonds.

DANA McRAE, COUNTY COUNSEL
By Jane M. Scott, Assistant County Counsel

Approval of Measure A does not guarantee that the proposed project or projects in the Scotts Valley Unified School District that are the subject of bonds under Measure A will be funded beyond the local revenues generated by Measure A. The school 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.

ARGUMENT IN FAVOR OF MEASURE A

Scotts Valley Unified School District

The need to replace Scotts Valley Middle School is clear to anyone who is familiar with this historic facility. Our highly successful, nationally-recognized middle school program is being run in an obsolete facility that dates to the 1940s. Everything about it – the roofs, walls, windows, heating, plumbing, electrical, walkways, courtyards, and playfields – is crumbling. Maintaining it is a serious drain on funds better used to educate our kids.

Good schools, and good school buildings, create a sense of community and have a direct positive impact on home values. The high quality education in all of our schools is reflected in our home values, making our community more desirable. Our student achievement is among the highest in California. SVMS is over 70 years old. Repairs are no longer practical or cost effective—it needs to be replaced.

The only way to move this project forward is with local funding. The District is applying for state matching funds; if they become available our local tax burden will be reduced.

Measure A is focused on the middle school at its present location. The District is committed to hiring an outstanding team of professionals to oversee the project. Every dollar from Measure A stays in our community with all funds devoted to construction and none for administrator salaries. Citizen oversight and annual audits are required.

Please join parents, teachers, community leaders, local business owners and retirees in voting YES on Measure A to continue strong student achievement and to stop wasting much needed resources on our cherished but worn-out middle school. Our kids need schools that provide a safe, effective learning environment. The responsibility and benefits are shared by all. Please vote YES for Measure A.

s/ Darby McFall
SVHS Senior Class President, SVMS class of 2010

s/ Molly McQuestion
SV Teachers Association President

s/ Derek Timm
SVEF President

s/ Patti Malone
Scotts Valley Business Owner, SV Resident

s/ Randy Klein
Scotts Valley Tutoring Club

NO ARGUMENT AGAINST MEASURE A WAS FILED.