



Q Huntington Beach City School District, Bond Measure Election

To construct science, technology, engineering, and mathematics labs, repair or replace leaky roofs, renovate deteriorating plumbing/sewer systems, upgrade inadequate electrical systems, construct, renovate, modernize, equip classrooms, restrooms and other school facilities and to improve the quality of education at local schools; shall Huntington Beach City School District issue \$159,850,000 of bonds at legal rates, with annual audits, and have an independent citizens' oversight committee with no money for administrative salaries or taken by the state?

What your vote means

YES	NO
A "Yes" vote means the school district may proceed to sell the bonds and levy the related taxes as estimated in the tax rate statement.	A "No" vote on this measure will disapprove the issuance of the bonds and the levy of the taxes for such bonded indebtedness.

For and against

FOR	AGAINST
Brian E. Rechsteiner Board of Trustees, HBCSD Gina Gleason HBHS Foundation Pres Catherine G. McGough Former Board Member Charlotte Augenstein Realtor/President, Huntington Beach Educational Foundation	No argument was filed against Measure Q



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Full Text of Measure Q Huntington Beach City School District

The following is the full proposition presented to the voters by the Huntington Beach City School District.

“To construct science, technology, engineering, and mathematics labs, repair or replace leaky roofs, renovate deteriorating plumbing/sewer systems, upgrade inadequate electrical systems, construct, renovate, modernize, equip classrooms, restrooms and other school facilities and to improve the quality of education at local schools; shall Huntington Beach City School District issue \$159,850,000 of bonds at legal rates, with annual audits, and have an independent citizens’ oversight committee with no money for administrative salaries or taken by the state?”

KEY FINDINGS

- Huntington Beach City School District provides an excellent education for local students, with eight California Distinguished Schools; and
- The District conducted a thorough assessment of needed facility updates and improvements to continue providing outstanding academic programs and instruction; and
- The District determined that it is necessary to repair leaky roofs, fix deteriorating plumbing and sewer systems, and upgrade inadequate electrical systems; and
- The District believes that constructing up-to-date science, technology engineering and mathematics labs will support 21st-century teaching and learning to prepare our students for high school, college and today’s competitive job market; and
- This bond measure will benefit District schools and no funds can be taken away by the State or other school districts, and by law, no money can be used for administrator salaries or pensions; and
- This bond measure requires strict fiscal accountability protections including mandatory annual audits and an independent citizens’ oversight committee comprised of local residents to ensure that bond funds are managed and spent properly; and
- Specifically, as further described in the Bond Project List, the Board of Trustees desires to:
 - Construct science, technology, engineering, and mathematics labs
 - Repair or replace leaky roofs
 - Renovate deteriorating plumbing/sewer systems
 - Upgrade inadequate electrical systems
 - Construct, renovate, modernize, and equip classrooms, restrooms, and other school facilities

PROJECT LIST FOR THE BOND MEASURE

Unless otherwise noted, the projects in this Bond Project List are authorized to be completed at each or any of the District’s sites, as shall be approved by the Board of Trustees. In developing the Bond Project List, the Board of Trustees has evaluated safety, class size reduction and information technology needs.

- Construct science, technology, engineering, and mathematics labs
- Repair or replace leaky roofs
- Upgrade deteriorating plumbing and sewer systems
- Upgrade inadequate electrical systems
- Improve technology infrastructure and increase student access to computers and modern technology
- Modernize/renovate/construct classrooms, restrooms and school facilities
- Replace outdated heating, ventilation and air-conditioning systems
- Construct multi-purpose rooms/performing arts rooms for schools that currently don’t have them
- Make health, safety and handicapped accessibility (Americans with Disabilities Act (ADA)) improvements
- Replace aging temporary portables with permanent classrooms
- Make facility improvements to increase the District’s energy efficiency, including replacing outdated and inefficient windows and lighting
- Upgrade/construct physical education fields and facilities for school and community use
- Upgrade school site parking, utilities and grounds
- Upgrade playgrounds and playfields for school and community use
- Replace existing wiring systems to meet current electrical and accessibility codes and increased capacity
- Federal and State-mandated Occupational Safety & Health Administration (OSHA) safety upgrades including playground equipment replacement
- Federal (ADA) and State-mandated accessibility upgrades including but not limited to site access, parking access, staff and student restroom access, relocation of certain existing electrical devices and drinking fountain and playground equipment accessibility
- Abate and remove hazardous materials identified prior or during construction
- Repair, replace and/or upgrade paved surfaces, turf, and other grounds to eliminate safety hazards and improve outside instructional areas



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The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the listed projects stated above, the list also includes the acquisition of a variety of instructional, maintenance and operational equipment, including the reduction or retirement of outstanding lease obligations and interim funding incurred to advance fund projects from the project list; installation of signage and fencing; payment of the costs of preparation of all facility planning, facility studies, assessment reviews, facility master plan preparation and updates, environmental studies (including environmental investigation, remediation and monitoring), design and construction documentation, and temporary housing of dislocated District activities caused by construction projects.

In addition to the projects listed above, the repair and renovation of each of the existing school facilities may include, but not be limited to, some or all of the following: renovation of student and staff restrooms; repair and replacement of heating and ventilation systems; upgrade of facilities for energy efficiencies; repair and replacement of worn-out and leaky roofs, windows, walls, doors and drinking fountains; installation wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; upgrades or construction of support facilities, including administrative, physical education/athletic facilities and performing arts buildings and maintenance yards; repair and replacement of fire alarms, emergency communications and security systems; resurfacing or replacing of hard courts, turf and irrigation systems and campus landscaping and play fields; expand parking; install interior and exterior painting and floor covering; demolition; and construction of various forms of storage and support spaces, upgrade classrooms, bleachers, kitchens, repair, upgrade and install interior and exterior lighting systems; replace outdated security fences and security systems. The upgrading of technology infrastructure includes, but is not limited to, computers, LCD projectors, portable interface devices, servers, switches, routers, modules, sound projection systems, laser printers, digital white boards, document projectors, upgrade voice-over-IP, call manager and network security/firewall, wireless technology systems and other miscellaneous equipment and software.

The allocation of bond proceeds will 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 aggressively pursue to reduce the District's share of the costs of the projects, the District will 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, such as gyms, fields and performing arts facilities, 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 and construction documents are finalized, construction bids are received, construction contracts 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 more enhanced and operationally efficient campuses. Necessary site preparation/restoration 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, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property.

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 bond projects and the costs of issuing the bonds. Bond proceeds shall only be expended for the specific purposes identified herein. 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.

ACCOUNTABILITY SAFEGUARDS

The provisions in this section are specifically included in this proposition in order that the voters and taxpayers of the District may be assured that their money will be spent to address specific facilities needs of the District, all in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Sections 15264 and following of the California Education Code (the "Education Code")).

Limitations on Use of Bonds. Proceeds from the sale of bonds authorized by this proposition shall be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

Independent Citizens' Oversight Committee. The Board shall establish an independent citizens' oversight committee (pursuant to Education Code Section 15278 and following), to ensure bond proceeds are expended only for the school facilities projects listed in the Bond Project List. The committee shall be established within 60 days of the date when the results of the election appear in the minutes of the Board. In accordance with Section 15282 of the Education Code, the citizens' oversight committee shall consist of at least seven members and shall include a member active in a business organization representing the business community located within the District, a member active in a senior citizens' organization, a member active in a bona fide taxpayers' organization, a member that is a parent or guardian of a child enrolled in the District, and a member that is both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization. No employee or official of the District and no vendor, contractor or consultant of the District shall be appointed to the citizens' oversight committee.

Annual Performance Audits. The Board shall conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects listed in the Bond Project List. The results of these audits shall be made publicly available and shall be submitted to the citizens' oversight committee in accordance with Section 15286 of the Education Code.

Annual Financial Audits. The Board 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 in the Bond Project List. The results of these audits shall be made publicly available and shall be submitted to the citizens' oversight committee in accordance with Section 15286 of the Education Code.

Special Bond Proceeds Account; Annual Report to Board. Upon approval of this proposition and the sale of any bonds approved, the Board shall take actions necessary to establish an account in which proceeds of the sale of bonds will be deposited. As long as any proceeds of the bonds remain unexpended, the Superintendent of the District shall cause a report to be filed with the Board no later than January 1 of each year, commencing January 1, 2018, stating (a) the amount of bond proceeds received and expended in the relevant annual period, and (b) the status of any project funded or to be funded from bond proceeds. The report may relate to the calendar year, fiscal year, or other appropriate annual period as the Superintendent of the District shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.



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Project Labor Agreements. In an effort to increase competition and maintain fairness among all potential contractors, reduce costs of construction, and efficiently apply taxpayer dollars, the District, to the extent doing so is not prohibited by law (including the doctrines of legislative entrenchment and the single subject rule) and does not eliminate any eligibility for potential State or federal funding or financial assistance, hereby declares that it shall not build and maintain bond-financed facilities under a project labor agreement.

FURTHER SPECIFICATIONS

Single Purpose. All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to Education Code Section 15100, and all the enumerated purposes shall constitute the specific single purpose of the bonds, and proceeds of the bonds shall be spent only for such purpose, pursuant to California Government Code Section 53410.

Other Terms of the Bonds. When sold, the bonds shall bear interest at an annual rate not exceeding the statutory maximum, and that interest shall be made payable at the time or times permitted by law. The bonds may be issued and sold in several series, and no bond shall be made to mature more than the statutory maximum number of years from the date borne by that bond.

Impartial Analysis Huntington Beach City School District Measure Q

The California Constitution provides that school districts may issue general obligation bonds for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities, with the approval of 55% of the voters of the district, voting at an election for that purpose. The California Constitution further provides that the bond measure must include a requirement that the bond proceeds will be used only for the permitted purposes and other requirements designed to ensure accountability.

The Board of Trustees of the Huntington Beach City School District has proposed to the voters within the Huntington Beach City School District that general obligation bonds be issued in an amount up to \$159,850,000 and that *ad valorem* taxes be levied upon taxable property within the school district to repay the bonded indebtedness.

The measure provides that proceeds from the sale of the bonds will generally be used to renovate, repair, construct and upgrade school facilities within the Huntington Beach City School District, including upgrading inadequate electrical systems, replacing temporary portables; improving technology infrastructure; repairing or replacing leaky roofs, HVAC systems and plumbing; and updating playgrounds and playfields. Bond proceeds may only be spent on the projects set forth in the measure.

The measure provides that a citizens' oversight committee will be established to ensure that bond proceeds are properly expended within Huntington Beach City School District. In addition, annual performance and financial audits will be conducted. The measure also requires the Superintendent of the Huntington Beach City School District to submit a yearly report to the Board of Trustees as long as the proceeds of the bond remain unexpended. The measure further provides that bond proceeds will not be used for teacher or administrator salaries or other school operating expenses.

Approval of the measure does not guarantee that the proposed project or projects in the Huntington Beach City School District that are the subject of bonds under the measure will be funded beyond the local revenues generated by the measure. 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.

The Board of Trustees of the Huntington Beach City School District has called the election for the purpose of submitting the measure to the voters within the school district. If 55% of the voters within Huntington Beach City School District voting on the measure vote "yes," the school district may proceed to sell the bonds and levy the related taxes as estimated in the tax rate statement. A "no" vote on this measure will disapprove the issuance of the bonds and the levy of the taxes for such bonded indebtedness.



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Tax Rate Statement Huntington Beach City School District Measure Q

An election will be held in the Huntington Beach City School District (the "District") on November 8, 2016, to authorize the issuance by the District of up to \$159,850,000 in general obligation bonds to finance various improvements at District schools. The following information is submitted in compliance with California Elections Code Sections 9400-9404.

1. The best estimate from official sources of the tax rate that would be required to be levied to fund this bond issue during fiscal year 2017-18, which is 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 \$0.02700 per \$100 of assessed valuation, which equates to \$27.00 per \$100,000 of assessed valuation.
2. The best estimate from official sources of the tax rate that would be required to be levied to fund this bond issue in the first fiscal year after the sale of the last series of bonds, which is estimated to be fiscal year 2026-27, based on a projection of assessed valuations available at the time of filing of this statement, is \$0.02700 per \$100 of assessed valuation, which equates to \$27.00 per \$100,000 of assessed valuation.
3. The best estimate from official sources of the highest tax rate that would be required to be levied to fund this bond issue, which is estimated to be fiscal year 2017-18, based on a projection of assessed valuations available at the time of filing this statement, is \$0.02700 per \$100 of assessed valuation, which equates to \$27.00 per \$100,000 of assessed valuation.
4. The best estimate from official sources 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 \$310,000,000.

The foregoing projections of assessed valuations and tax rates are based on the experience and historical data within the District and are estimates only based on 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, market interest rates at the time of each sale and actual assessed valuation in each year. The timing of the bond sales and the amount of bonds sold at any given time will be determined by the District based upon its need for construction funds and other factors. Actual assessed valuations will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the assessment and the equalization process.

Dated: August 9, 2016

s/ Gregg Haulk
Superintendent of Schools
Huntington Beach City School District

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Our schools are recognized throughout California as top performers. Great schools support strong property values, keeping Huntington Beach a thriving community and desirable place to live and work.

Most of our schools were built 40 - 50 years ago – one was built over 80 years ago – and require repairs and updates to provide a safe learning environment and support top-quality classroom instruction.

Measure Q will provide up-to-date science, technology, engineering and mathematics labs to equip Huntington Beach students with the skills they need to succeed in high school, college and today's in-demand careers.

By upgrading inadequate electrical systems, Measure Q will ensure students have access to modern instructional technology.

Voting YES on Q will repair and upgrade our schools to continue our tradition of excellent education. Some classrooms have aging roofs and deteriorating plumbing and sewer systems. Measure Q will make these repairs to provide safe, well-maintained learning environments and avoid more costly repairs in the future so our schools can serve our community for decades to come.

Vote YES on Q to:

- Construct science, technology, engineering and mathematics labs
- Ensure student access to today's learning technology
- Modernize outdated classrooms, restrooms and school facilities
- Fix aging roofs, renovate deteriorating plumbing and sewer systems and upgrade inadequate electrical systems

Strict Taxpayer Protections

- All money raised by Measure Q will stay in Huntington Beach to support our local elementary and middle school students and cannot be taken away by the State or used for other purposes
- A Citizens' Oversight Committee and a project list detailing exactly how the money would be used are required
- Independent audits ensure funds are spent properly

Vote YES on Measure Q to prepare Huntington Beach students for future success.

s/ Brian E. Rechsteiner
Board of Trustees, HBCSD

s/ Gina Gleason
HBHS Foundation Pres

s/ Catherine G. McGough
Former Board Member

s/ Charlotte Augenstein
Realtor/President, Huntington Beach Educational Foundation

No argument against this measure was submitted.