RESOLUTION NO. 19-25

RESOLUTION OF THE BOARD OF TRUSTEES OF THE
RANCHO SANTIAGO 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 MARCH 3, 2020

WHEREAS, the Board of Trustees (the “Board”) of the Rancho Santiago Community College District (the “District”), a California community college district located within the County of Orange (the “County”), has determined the need to provide additional funding for the improvement, construction, equipping and furnishing of its college facilities in order to enhance the ability of local students to achieve success in skill-based careers, including technology, occupational therapy, health care and other specialties, and to effect transfers to four-year colleges; and

WHEREAS, Santa Ana College and Santiago Canyon College provide affordable, high-quality education and career training to local students, including the healthcare professionals, police, firefighters, and skilled workers who keep us healthy, safe and fuel our economy; and

WHEREAS, as the cost of attending the University of California and State University systems has become more expensive, more students are starting their education and completing their first two years of college at local community colleges; and

WHEREAS, Santa Ana College and Santiago Canyon College ensure that lower and middle-income students who can’t afford the high price of a university still have an opportunity to succeed in college and careers; and

WHEREAS, the Board recognizes the need to improve Student and Veterans Centers to support the thousands of military veterans returning from service who need job training, job placement, counseling and support services; and

WHEREAS, more than one-third of all local high school graduates rely on Santa Ana College and Santiago Canyon College for higher education and career training; and

WHEREAS, the District’s local community colleges are vital economic engines for the region, creating thousands of jobs and generating over $1.6 billion per year for the economy in engineering, healthcare and other industries; and

WHEREAS, the Board has recognized the need to repair and upgrade our local community colleges so they can serve the local community well for decades to come; and

WHEREAS, leaky roofs, old rusty plumbing, faulty electrical systems and dry rotted beams need to be repaired or replaced; and

WHEREAS, school facilities need to be modernized to improve access for students with disabilities; and
WHEREAS, classrooms, labs and career training facilities require upgrades for science, technology, engineering, math, biotech, and skilled trades including industrial technology, welding, automotive technology and other career training programs that do not duplicate existing programs, and are necessary upgrades of continuing education centers; and

WHEREAS, hazardous materials like asbestos and lead paint need to be removed from older buildings and student safety and campus security need to be improved; and

WHEREAS, this measure requires a clear system of fiscal accountability including independent audits and a Citizens’ Oversight Committee to ensure funds are spent as promised; and

WHEREAS, a local measure will provide funds that cannot be taken away by the State to repair, upgrade and modernize Santa Ana College and Santiago Canyon College; and

WHEREAS, the Board has therefore determined that it is advisable to call an election to submit to the electors of the District the question of whether bonds of the District shall be issued and sold for the purpose of funding the construction, reconstruction, refinancing, rehabilitation and replacement of college facilities, including their furnishing and equipping of college facilities, the acquisition or lease of real property for college facilities and paying costs incident thereto; and

WHEREAS, pursuant to the provisions of Proposition 39, adopted by the voters of the State of California (the “State”) on November 7, 2000 (“Proposition 39”), comprising Article XIII-A, Section 1, paragraph (b) of the California Constitution (“Article XIII-A”), the District may incur bonded indebtedness upon the vote of fifty-five percent (55%) or more of the qualified electors of the District voting on the proposition; and

WHEREAS, Chapter 3, Part 10, Division 1 of Title 1 of the Education Code provides that the District may call an election for the purpose of seeking voter approval for the issuance of general obligation bonds by the District; and

WHEREAS, pursuant to Section 15264 et seq. of the Education Code (the “Act”), the Board is specifically authorized, upon approval by two-thirds (2/3) of the members of the Board, to submit to the electorate of the District the question of whether bonds of the District shall be issued and sold for specified purposes pursuant to paragraph (3) of said subdivision (b) of Section 1 of Article XIII-A and subdivision (b) of Section 18 of Article XVI of the California Constitution; and

WHEREAS, the Board desires to make certain findings to be applicable to the within election order and to establish compliance with Proposition 39 and the applicable requirements of the Education Code and the Elections Code of the State (the “Elections Code”), as further specified herein; and

WHEREAS, pursuant to Section 10403 et seq. of the Elections Code, the Board now deems it appropriate and necessary to request consolidation of the election authorized hereby
(the "Election") with any and all other elections to be held on March 3, 2020, and to request the Registrar of Voters (the "Registrar of Voters") of the County of Orange to perform certain election services for the District;

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT HEREBY RESOLVES, DETERMINES, AND ORDERS 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 (the "Bonds") shall be issued and sold in one or more series from time to time in the aggregate principal amount not to exceed $496,000,000 for the purpose of raising money for construction, reconstruction, rehabilitation, refinancing, and replacement of facilities within the District, including the furnishing or equipping of college facilities, or the acquisition or lease of real property for college facilities and paying costs incident thereto, as set forth more fully in a ballot proposition approved pursuant to Section 4 below.

Section 2. Order of Election. This Resolution shall stand as the order to the Registrar of Voters to call the Election within the boundaries of the District on March 3, 2020. The Registrar of Voters is hereby requested, pursuant to Section 5322 of the Education Code, to take all steps to call and hold the Election in accordance with law and these specifications.

Section 3. Election Date and Consolidation. The date of the Election shall be March 3, 2020, and the Election shall be held solely within the boundaries of the District. Pursuant to Section 15121 of the Education Code and Part 3 (commencing with Section 10400) of Division 10 of the Elections Code, the Board of Supervisors of the County is requested to order consolidation of the bond election ordered herein with such other elections as may be held on the same day in the same territory or in territory that is in part the same.

Section 4. Purpose of Election; Ballot Proposition. The purpose of the Election shall be for the voters of the District to vote on a proposition, a full copy of which is attached hereto as Exhibit A (the "Bond Measure"), and incorporated by reference herein, containing the question of whether the District shall issue the Bonds for the purposes stated therein, together with the accountability requirements of Article XIIIA and the requirements of Section 15272 of the Act. The Registrar of Voters is hereby requested to reprint Exhibit A hereof in its entirety in the voter information pamphlet to be distributed to voters. As required by Elections Code Section 13247, the abbreviated form of the Bond Measure to appear on the ballot is attached hereto as Exhibit B. The District's Chancellor or its Vice Chancellor, Business Operations/Fiscal Services (or the designee of either of them) is each hereby authorized and directed to make any changes to the text of the proposition or its abbreviated form as required to comply with the intent of this Resolution, the requirements of election officials and requirements of law.

Section 5. The Bonds. (i) The maturity of any bonds issued pursuant to the Bond Measure and under Chapter 1.5, Part 10, Division 1, Title 1 of the Education Code (commencing with Section 15264), as amended, and Article XIIIA shall not exceed twenty-five (25) years and shall bear or accrete interest at a rate not to exceed the maximum legal interest rate per annum, and (ii) the maturity of any bonds issued pursuant to the Bond Measure and under Article 4.5 of
Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, as amended, applicable provisions of the Education Code and Article XIII A of the California Constitution shall not exceed forty (40) years, or, in the case of bonds, the interest on which is compounded, twenty-five (25) years, and shall bear or accrete interest at a rate not to exceed the maximum legal interest rate per annum.

Section 6. Authority for Election. The authority for ordering the Election is contained in the Act, in Article XIII A, Section 1, paragraph (b), subsection (3) of the California Constitution, and in Section 53506 et seq. of the California Government Code. The authority for the specification of this election order is contained in Education Code Section 5322.

Section 7. School Facilities Projects. A list of the specific capital improvement projects (the “Projects”) to be funded from the proceeds of the bonds is set forth in Exhibit A (the “Project List”). As required by Article XIII A, the Board hereby certifies that it has evaluated safety, class-size reduction and information technology needs of the District’s colleges in developing the list of capital improvement projects set forth in Exhibit A. The District understands that the costs of administering the election, managing construction projects and costs of issuance of the bonds shall be lawful charges against proceeds of sale of the bonds.

Section 8. Covenants of the Board Upon Approval of the Bonds by the Electorate. As required by Article XIII A and Section 15278 of the Act, if fifty-five percent (55%) or more of the voters of the District voting on the Bond Measure approve the Bond Measure, the Board shall:

(a) Use the bond proceeds only for the purposes of construction, reconstruction, rehabilitation, refinancing or replacement of college facilities, including their furnishing and equipping, or the acquisition or lease of real property for college facilities, as specifically set forth in Exhibit A, and not for any other purpose, including teacher and administrator salaries and other school operating expenses;

(b) Conduct an annual, independent performance audit to ensure that the Bond proceeds have been expended only on the capital projects listed in Exhibit A;

(c) Conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for capital projects listed in Exhibit A;

(d) Establish and appoint members to an independent citizens’ oversight committee in accordance with Sections 15278, 15280, and 15282 of the Act; and

(e) Limit the amount of Bonds issued pursuant to the Bond Measure so that the tax rate on taxable property located within the District required to repay such Bonds will not, based on the District’s reasonable expectations, exceed $25.00 per $100,000 of assessed value.

Section 9. Delivery of this Resolution. The Clerk of this Board is hereby authorized and directed to send or hand-deliver a completed and certified copy of this Resolution to the
Registrar of Voters and if requested thereby, the Clerk of the Board of Supervisors of the County, no later than December 6, 2019.

Section 10. Tax Rate Statement; Ballot Arguments. Any one of the Chancellor, the Vice Chancellor, Business Operations/Fiscal Services, the President of the Board, or their designees, is hereby authorized to execute the Tax Rate Statement substantially in the form attached hereto as Exhibit C and any other required documents and to perform all acts necessary to place the Bond Measure on the ballot. The Tax Rate Statement shall be delivered to the Registrar of Voters on or before December 6, 2019. Any member of the Board is hereby authorized to act as an author of or signer to any ballot argument prepared in connection with the Election, including a rebuttal argument.

Section 11. Consolidation of Election; Election Services. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors is requested to permit the Registrar of Voters, or other appropriate officials of the County, to render all services necessary in connection with the Election including, but not limited to, publication of a Formal Notice of School Bond Election pursuant to Education Code 5363 and related law, the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code), the opportunity to submit ballot arguments in connection with the Election, the canvassing and certification of the returns of the Election, and other ballot requirements pursuant to Education Code Section 15123, for which services the District agrees to reimburse the County as required by law.

Section 12. Reimbursement of Qualified Project Expenditures. The Board presently intends and reasonably expects to have tax-exempt obligations (the “Obligations”) issued on its behalf no later than 18 months of (i) the date of the expenditure of moneys, if any, made with respect to the Projects outlined in the Project List or (ii) the date upon which the Project for which expenditures are to be reimbursed is placed in service or abandoned, whichever is later (but in no event more than 3 years after the date the original expenditure of such moneys is paid), and to allocate an amount of the proceeds thereof not to exceed $496,000,000 to reimbursable expenditures in connection with the Projects, as may be qualified under the provisions of Section 1.150-2 of the Treasury Regulations of the Internal Revenue Service (the “Reimbursable Expenditures”). All of the Reimbursable Expenditures covered by this Section were paid not earlier than 60 days prior to the date of this Resolution or constitute preliminary expenditures within the meaning of Section 1.150-2 of the Treasury Regulations. The Board intends to allocate within 30 days after the date of issue of the Obligations, the proceeds therefrom to reimburse the District for the Reimbursable Expenditures. With respect to the proceeds of the Obligations allocated to reimburse the District for prior expenditures, the Board hereby covenants not to employ an abusive device under Treasury Regulation Section 1.148-10, including using within one year of the reimbursement allocation, the funds corresponding to the proceeds of the Obligations in a manner that results in the creation of replacement proceeds, as defined in Treasury Regulation Section 1.148-1, of the Obligations or another issue of tax-exempt obligations.

The above provisions are made solely for the purpose of establishing compliance with the requirements of said Section 1.150-2 of the Treasury Regulations. This provision does not bind the District or the Board to make any expenditure, incur any indebtedness, or proceed with the financing, acquisition or construction of the Projects.
Section 13. Bond Counsel. The Board hereby approves the retention of Nixon Peabody LLP as bond counsel in connection with the Election.

Section 14. Effective Date. This Resolution shall take effect immediately upon its adoption.

ADOPTED, SIGNED AND APPROVED this 28th day of October, 2019.

BOARD OF TRUSTEES OF THE RANCHO
SANTIAGO COMMUNITY COLLEGE DISTRICT

By: ______________________________________
   Board President Phillip Yarbrough

Attest:

/Zeke Hernandez
Clerk of the Board of Trustees
STATE OF CALIFORNIA
) ss.
COUNTY OF ORANGE
)

I, Zeke Hernandez, do hereby certify that the foregoing is a true and correct copy of Resolution No. 19-25 which was duly adopted by the Board of Trustees of the Rancho Santiago Community College District at a meeting thereof conducted in a location freely accessible to the public, at which a quorum was present and acting throughout, on the 28th day of October, 2019, and that it was so adopted by the following vote:

AYES: MEMBERS: 6 Trustees: Alvarez, Hanna, Hernandez, Labrador, Mendoza, Yarbrough

NOES: MEMBERS: 1 Trustee: Barrios

ABSENT: MEMBERS: 0 Trustee

ABSTAIN: MEMBERS: 0 Trustee

Zeke Hernandez
Clerk of the Board of Trustees
EXHIBIT A

FULL TEXT BALLOT PROPOSITION OF THE
RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
BOND MEASURE ELECTION FOR MARCH 3, 2020

"To upgrade classrooms/labs to improve student and veteran access to affordable, high-quality education and career training in science, technology, engineering, math and skilled trades at Santa Ana College and Santiago Canyon College; repair deteriorating roofs/plumbing/electrical systems; and construct/acquire classrooms/facilities/equipment, shall the Rancho Santiago Community College District measure authorizing $496,000,000 in bonds at legal rates, levying 2¢ per $100 of assessed value ($25,700,000 annually) while bonds are outstanding, be approved, with citizen oversight, independent audits and local control?"

Bonds – Yes  Bonds – No

PROJECT LIST

The Board of Trustees (the "Board") of the Rancho Santiago Community College District (the "District") certifies that it has evaluated the District’s urgent and critical needs, including college and student safety issues, enrollment trends, class size reduction, overcrowding, energy efficiency and computer technology, seismic safety requirements, and aging, outdated or deteriorating college buildings in developing the scope of projects to be funded. The Board will prioritize the key health and safety and sustainability needs so that the most critical college site needs are addressed. The District conducted an evaluation at all college sites and received public input in developing the scope of capital projects to be funded.

In connection with the calling of the bond election, the Board has made the following findings:

(a) As the cost of attending the University of California and State University systems becomes more expensive, more students are starting their education at community colleges. Santa Ana College and Santiago Canyon College ensure that lower and middle-income students who can’t afford the high price of a university still have access to career training and higher education.

(b) With thousands of military veterans returning from service, our local community colleges play a critical role in providing job training, job placement, counseling and support services. Student and Veterans Centers must continue to be updated and improved so veterans can continue to receive the support they need.

(c) More than one-third of all local high school graduates rely on our local community colleges to continue their education. However, classrooms, labs and career training facilities require basic repairs and upgrades so they can continue to serve our community well and educate the healthcare professionals, police, firefighters and skilled workers who keep us healthy, safe and fuel our economy.
(d) If approved, Measure ___ would fund school facility improvements including: repairing or replacing leaky roofs, old rusty plumbing, faulty electrical systems and dry rotted beams where needed; upgrading classrooms and labs to help local students complete the first two years of college affordably, and transfer to Cal State or UC systems; modernizing school facilities to improve access for students with disabilities; removing hazardous materials like asbestos and lead paint from older buildings; improving student safety and campus security systems including security lighting, cameras, emergency communications systems, smoke detectors and fire alarms; upgrading classrooms, labs and career training facilities for science, technology, engineering, math and biotech, as well as skilled trades including industrial technology, welding and automotive technology.

(e) Measure ___ requires strict taxpayer protections to ensure funds are spent appropriately. A clear system of accountability is required, including a Citizens’ Oversight Committee and independent audits. All money raised by Measure ___ will be spent locally on Santa Ana College and Santiago Canyon College — no money can be taken away by the State. By law, no funds can be used for administrators’ salaries or pensions.

In approving this Project List, the Board determines that the District should:

(i) Provide career technical classrooms and facilities for job training to prepare students for the workforce.

(ii) Upgrade classrooms to support the core academics of math, science, reading and writing.

(iii) Upgrade computer and science labs.

(iv) Renovate and repair buildings, classrooms and athletic fields.

(v) Acquire sites, as necessary, and construct new classrooms and facilities to accommodate enrollment growth.

(vi) Adhere to specific FISCAL ACCOUNTABILITY safeguards such as these:

(a) Sacramento will be prohibited from taking any of the funds raised.

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

(c) No funds will be used for administrators’ salaries and pensions.

(d) All funds will be subject to local control and provide improvements at or in support of the District’s colleges.

(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 projects:

**Construction, Repair and Upgrade of College Facilities**

**Goal and Purpose:** The District has determined that the construction of new facilities, and the repair and upgrade of deteriorating, outdated buildings, classrooms, computer learning centers and libraries and equipment, in order to ensure compliance with handicap accessibility requirements, are needed in order to provide students the resources they need to excel in careers and future educational opportunities, including:

- Constructing, furnishing and equipping an applied technology and vocational technology center, which may include facilities designated for training for careers in any of the following industries: the culinary arts and hospitality industries, fashion design and merchandising, automotive, diesel, welding and robotics, 3D modeling and manufacturing, and other technology programs under development.

- Reconstructing, renovating, remodeling, upgrading, furnishing and equipping the Centennial Education Center and the School of Continuing Education and Child Development Center, including related parking facilities.

- Replacing, renovating, and reconstructing existing library facilities and construction, furnishing and equipping of a learning commons with combined library facilities and instructional support services in a central location, to improve students' access to support services and lead to increased student completions.

- Reconstructing and upgrading entrance site improvements, including demolition of existing Russell Hall facilities in connection with completion of a new Health Sciences Center, including construction of a new campus entry plaza with improvements to traffic circulation.

- Constructing, furnishing and equipping a student center and student life building, in order to centralize student and support services, which may include food service facilities, a bookstore, and facilities to accommodate student government and improved student life, and which may include demolition, reconstruction, or renovation of certain buildings and/or spaces in buildings.

- Constructing, furnishing, equipping, rebuilding and remodeling fine and performing arts centers, which may include classrooms, practice rooms, art studios and galleries, a theater with stage, backstage, scene shop, costume shop, dressing rooms, lighting system, sound system, recording system, orchestra pit, public lobby, box office, and other related services.

- Construction of improvements, removal of existing barriers, and replacement of classroom space for buildings with accessibility deficiencies, to comply with Federal and State-mandated Americans with Disabilities Act (ADA) handicap accessibility requirements, including constructing accessibility upgrades and improvements to the main campus entrance and elimination of existing barriers to ADA accessibility requirements.

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• Replacing and adding electrical service capacity to relieve currently overloaded electrical systems.

• Repairing, upgrading and replacing plumbing, landscaping, lighting heating and air conditioning and electrical systems for energy efficiency and cost savings, as needed.

• Upgrading roadways and pedestrian paths/walkways for better access and increased safety, improve landscaping and grounds, improve and increase on-site parking and repair utilities where needed.

Health, Safety and Security, Earthquake Safety
and Student Safety

• Installing new security systems, such as security (surveillance) cameras, outdoor lighting, fencing, gates and classroom door locks.

• Removing or abating asbestos, lead paint, mold and other hazardous materials.

• Upgrading emergency communication systems.

• Making seismic improvements to existing buildings, as needed.

• Upgrading fire alarm systems to automatic systems, repair and replace fire safety equipment, add sprinklers and fire safety doors.

• Replacing and upgrading existing signage, bells and clocks.

• Upgrading, constructing, and replacing athletic equipment, fields and facilities to meet current safety standards and student and community demands.

District-Wide Wiring and Instructional Technology
For 21st Century Job Training

Goal and Purpose: The District’s colleges provide essential job training and workforce preparation for students at all levels. By improving college facilities, students will have improved opportunities to succeed in health sciences, technology and other careers, whether or not they elect to pursue a four-year degree, with these Projects:

• Providing improved, upgraded and updated computer labs.

• Providing and maintaining upgraded technology, data and communication equipment.

• Upgrading and expanding wireless systems, telecommunications and internet access.

• Upgrading and replacing computers, hardware and software systems.

• Upgrading and replacing classroom furniture, equipment and instructional aids.
• Upgrading media and audio/visual equipment.

• Expanding bandwidth to allow students greater access to the Internet.

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 Projects stated above, proceeds from the sale of bonds will also be used for payment of facility-related construction costs, the acquisition of land, the payment of the costs of preparation of all facility planning, facility assessment reviews, facility master plan updates, environmental studies (including environmental investigation, remediation and monitoring) and construction documentation, the acquisition or prepayment of outstanding ground leases, acquiring and leasing of real property for school facilities, including the purchase of leased facilities and the refinancing of outstanding lease obligations, including, but not limited to, the refinancing of existing lease obligations of the District, acquiring and leasing of property for temporary housing of dislocated college activities caused by bond-financed Projects and the leasing or acquisition of staff parking. The upgrading of technology infrastructure includes, but is not limited to, computers, LCD projectors, portable interface devices, servers, switches, routers, modules, sound projection, card access systems, laser printers, digital white boards, document projectors, upgraded voice-over IP, call manager and network security/firewall, and other miscellaneous equipment and software.

In addition to the Projects listed above, the repair and renovation of each of the existing 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, air conditioning and ventilation systems; upgrade of facilities for energy efficiency and to reduce fire risks; repair and replacement of worn-out and leaky roofs, windows, walls, doors and drinking fountains; demolition of unsafe facilities; installation of wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; repairing and replacing fire alarms, emergency communications and security systems; resurfacing or replacing of hard courts, turf and irrigation systems and campus landscaping; building new and/or renovating existing gymnasiums, pools and stadiums; upgrading or replacing inadequate libraries, multi-purpose rooms, kitchens and administrative spaces; upgrading locker rooms; installing lunch shelters, artificial turf, and bleachers; improving sanitation and recycling; expanding parking; installing interior and exterior painting and floor covering; replacing portable classrooms; installing covered walkways or shelters; adding administrative support spaces; upgrading school site cafeterias; demolition; and construction of various forms of storage and support spaces; upgrading classrooms; repairing, upgrading and installing interior and exterior lighting systems; replacing water and sewer lines and other plumbing systems; and replacing outdated security fences and security systems.

Any of the projects listed herein may be completed in conjunction with other public education, city, county or college institutions, including libraries, child care centers, multi-purpose rooms, aquatics centers, gymnasiums and athletic facilities, media centers, visual and performing arts facilities, and health care facilities to increase efficient use of bond proceeds. Listed projects and upgrades listed above may be completed as needed, and any of such Projects may or may not be completed as a joint use project with another public entity, as determined by
the Board. The District may also pursue public-private partnerships or partnerships with nonprofit entities to complete any of the projects listed herein and reduce costs to the District, in compliance with applicable law, and at the direction of the Board. The District is committed to working with public and private entities to seek funds and share facilities use in order to maximize student success and save taxpayers dollars.

The allocation of bond proceeds will be affected by the District’s receipt of State matching funds and the final costs of each Project. Approval of Measure ____ does not guarantee that the proposed Project or Projects within the District that are the subject of bonds under Measure ____ will be funded beyond the local revenues generated by Measure ____. The District’s proposed Projects may assume the receipt of State matching funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure. 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 may not be able to complete some of the Projects listed above.

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 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, storm drain, and 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 costs of District staff when performing work on or necessary and incidental to bond projects. Bond proceeds shall only be expended for the specific purposes identified herein.

As required by the California Constitution, the proceeds from the sale of the bonds will be used only for the provision of school facilities by construction, reconstruction, rehabilitation, refinancing or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease or real property for school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

The District will conduct an annual, independent performance audit to ensure that the funds have been expended only on projects included in the Project List set forth above.

The District will conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended on projects included in the Project List set forth above.

Pursuant to Section 15772 of the Education Code, the Board will appoint a citizens’ oversight committee and conduct annual independent audits to assure that bond proceeds are spent only on projects included in the Project List set forth above and for no other purposes.
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 FACILITIES, AND NOT FOR ANY OTHER PURPOSE, INCLUDING PENSIONS, TEACHER AND SCHOOL ADMINISTRATOR SALARIES AND OTHER OPERATING EXPENSES.

FISCAL ACCOUNTABILITY. 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 (EDUCATION CODE SECTION 15278 ET SEQ.) TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS’ OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATIVES 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.
EXHIBIT B

SHORT FORM OF BOND MEASURE

"To upgrade classrooms/labs to improve student and veteran access to affordable, high-quality education and career training in science, technology, engineering, math and skilled trades at Santa Ana College and Santiago Canyon College; repair deteriorating roofs/plumbing/electrical systems; and construct/acquire classrooms/facilities/equipment, shall the Rancho Santiago Community College District measure authorizing $496,000,000 in bonds at legal rates, levying 2¢ per $100 of assessed value ($25,700,000 annually) while bonds are outstanding, be approved, with citizen oversight, independent audits and local control?"

Bonds – Yes       Bonds – No
EXHIBIT C

TAX RATE STATEMENT REGARDING PROPOSED
$496,000,000
RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
GENERAL OBLIGATION BONDS
ELECTION OF MARCH 3, 2020

An election will be held within Rancho Santiago Community College District (the “District”) on March 3, 2020, for the purpose of submitting to the electors of the District the question of incurring a bonded indebtedness of the District in the principal amount of $496,000,000. If such bonds are authorized and sold, the principal thereof and interest thereon will be payable from the proceeds of taxes levied on the taxable property in the District. The following information regarding tax rates is given in compliance with Section 9401 of the California Elections Code. This 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 assessed valuations of taxable property in the District, and assuming the entire debt service on the bonds will be paid through property taxation:

1. The best estimate from official sources of the average annual tax rate that would be required to be levied to fund the bond issue over the entire duration of the bond debt service, based on estimated assessed valuations available at the time of the filing of this statement, or on a projection based on experience within the District or other demonstrable factors, is $0.02 per $100 ($19.74 per $100,000) of assessed valuation of all property. The final fiscal year in which the tax to be levied to fund the bond issue is anticipated to be collected is fiscal year 2049-50.

2. The best estimate from official sources of the highest tax rate that would be required to be levied to fund the bond issue and an estimate of the year in which that rate will apply, based on estimated assessed valuations available at the time of the filing of this statement, is $0.02 per $100 ($19.75 per $100,000) of assessed valuation of all property to be taxed and the year 2030-31.

3. The best estimate from official sources of the total debt service, including the principal and interest that would be required to be repaid if all the bonds are issued and sold, is $771.05 million.

Attention of voters is directed to the fact that the foregoing information is based upon projections and estimates. The actual timing of sales of the bonds and the amount to be sold at any time will be governed by the needs of the District and other factors. The actual interest rates at which the bonds will be sold, which will not exceed the maximum permitted by law, will depend upon the bond market at the time of sale. The actual assessed valuations in future years will depend upon the value of property within the District as determined in the assessment and the equalization process. Assessed valuation is not the same as market price of real property. Therefore, the actual tax rates

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and the years in which those tax rates will be applicable may vary from those presently estimated and stated above.

Chancellor
Rancho Santiago Community College District