Garden Grove Unified School District, Garden Grove Unified School District Measure to Improve School Safety and Learning Environments for a 21st Century Education

To repair/replace roofs, plumbing, and inadequate electrical systems; install air conditioning; upgrade classrooms, science labs, and access to instructional technology; provide classrooms/labs for career technology education that prepares students for college/careers; improve access for individuals with disabilities and earthquake/fire safety and campus security/lighting/cameras, shall Garden Grove Unified School District issue $311,000,000 in bonds, at legal rates, with independent oversight, no money for administrators and all funds locally-controlled?

What your vote means

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
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<tr>
<td>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.</td>
<td>A “No” vote on this measure will disapprove the issuance of the bonds and the levy of the taxes for such bonded indebtedness.</td>
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For and against

<table>
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<tr>
<th>FOR</th>
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| Dr. George West  
Educator/President of the Garden Grove Unified School District  
Tina Gustin-Gurney  
Teacher/President, Garden Grove Education Association  
Lan Quoc Nguyen  
Attorney/Businessman/Member, Garden Grove Unified School District Board of Education  
Walter Muneton  
Truancy Reduction Officer  
Maureen Blackmun  
President, Central Garden Grove Neighborhood Association | No argument was filed against Measure P |
Full Text of Measure P
Garden Grove Unified School District
MEASURE TO IMPROVE SCHOOL SAFETY AND LEARNING ENVIRONMENTS FOR A 21ST CENTURY EDUCATION

This Proposition may be known and referred to as the “Garden Grove Unified School District Measure to Improve School Safety and Learning Environments for a 21st Century Education” or as “Measure P”.

KEY FINDINGS

• Garden Grove Unified School District (the “District”) is proud of its long-standing record of academic excellence. The District is a leader across the State of California (the “State”) and nation in college and career readiness with a greater percentage of students meeting rigorous college entrance requirements than the State or County of Orange (the “County”) average; and

• The District has conducted a thorough assessment of its school facility needs, concluding that upgrades are needed to provide safe, well-maintained classrooms, labs and learning environments to support 21st-century instruction; and

• The District recognizes that lack of air conditioning in some schools leads to classroom temperatures over 90 degrees in periods of excessively warm weather, which inhibits teachers and students from focusing on teaching and learning; and

• With some schools between 40 and 95 years old, the District believes that basic repairs are needed, including replacing or repairing roofs, plumbing, and inadequate electrical systems; and

• The District believes that updating instructional technology will equip our students with skills and solid background in science, math and technology needed to succeed in high school, college and careers; and

• In 2010, District voters overwhelmingly approved Measure A to undertake the first phase of repairs and updates to local schools, and the independent citizens’ bond oversight committee has verified that all funds have been spent on voter-approved purposes; and

• This measure will benefit local 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; and

• This bond requires strict fiscal accountability protections including mandatory annual audits and an independent citizens’ oversight committee made up of local residents to ensure funds are managed and spent properly; and

• As further described in the Bond Project List below, the Board of Education, among other things, desires to:
  o Repair and replace roofs, plumbing and inadequate electrical systems
  o Install air conditioning
  o Upgrade classrooms, science labs, and access to instructional technology
  o Provide classrooms and labs for career technology education that prepares students for college and careers
  o Improve access for individuals with disabilities and earthquake/fire safety and campus security/lighting/cameras

BOND AUTHORIZATION

By approval of this proposition by at least 55% of the registered voters voting on the proposition, the District shall be authorized to issue and sell bonds of up to $311,000,000 in aggregate principal amount to provide financing for the specific school facilities projects listed under the heading entitled “BOND PROJECT LIST” below (the “Bond Project List”), and qualify to receive State of California matching grant funds, subject to all of the accountability safeguards specified below.

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 XIIIA, 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”)).

Evaluation of Needs. The Board of Education of the District (the “Board”) has conducted a thorough assessment of all facilities in order to evaluate and address the facilities needs of the District at each campus and facility, and to determine which projects to finance from a local bond at this time. The Board hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List.

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. These audits shall be conducted in accordance with the Government Auditing Standards issued by the Comptroller General of the United States for performance audits. 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. These audits shall be conducted in accordance with the Government Auditing Standards issued by the Comptroller General of the United States for financial audits. 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 that year, 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.

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.

State of California Matching Grant Funds. In order to maximize community benefit and efficiently apply taxpayer dollars, the District hereby declares its intention to seek, where practical and economical, State of California matching grant funds for eligible projects.

Other Accountability Safeguards. To the extent doing so is not prohibited by law (including the doctrines of legislative entrenchment and the single subject rule), (i) the District shall continue to budget from its general fund a reserve for economic uncertainties at the legal requirement, currently 2 percent of general fund expenditures, (ii) the District shall continue to contribute the legally required amount to its routine restricted maintenance account from non-bond proceeds, currently 3 percent of general fund expenditures, (iii) the District shall issue the bonds incrementally in response to the District’s needs, and (iv) the District shall structure the bonds to mature in compliance with Section 147(b) of the Internal Revenue Code (or any successor thereto). In addition, in order to construct and repair District facilities, it is the District’s practice to annually identify and budget for ongoing capital projects, which resulted in a setting aside of $4,000,000 for such purposes in the District’s fiscal year 2015-16 budget, with an estimated ending fiscal year balance of $6,660,565 carried forward for such purposes. The District hereby declares its intention to continue the practice of annually budgeting needed amounts for ongoing capital needs.

FURTHER SPECIFICATIONS

Joint-Use Projects. The District may enter into agreements with other public agencies or nonprofit organizations for joint use of school facilities financed with the proceeds of the bonds in accordance with Education Code Section 17077.42 (or any successor provision). The District may seek State grant funds for eligible joint-use projects as permitted by law, and this proposition hereby specifies and acknowledges that bond funds will or may be used to fund all or a portion of the local share for any eligible joint-use projects identified in the Bond Project List or as otherwise permitted by California State regulations, as the Board shall determine.

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.

BOND PROJECT LIST

The Bond Project List below lists the specific projects the District proposes to finance with proceeds of the bonds. The Bond Project List shall be considered a part of the bond proposition and shall be reproduced in any official document required to contain the full statement of the bond proposition. Listed projects will be completed as needed at a particular school or facility site according to Board-established priorities, and the order in which such projects appear on the Bond Project List is not an indication of priority for funding or completion. Any authorized repairs shall be capital expenditures. The Bond Project List does not authorize non-capital expenditures. Each project is assumed to include its share of costs of the election and bond issuance, construction-related costs, such as project and construction management, architectural, engineering, inspection and similar planning and testing costs, demolition and interim housing costs, legal, accounting and similar fees, costs related to the independent annual financial and performance audits, a contingency for unforeseen design and construction costs, and other costs incidental to and necessary for completion of the listed projects (whether the related work is performed by the District or third parties). The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. In addition, certain construction funds expected from non-bond sources have not yet been secured. Therefore, the Board cannot guarantee that the bonds will provide sufficient funds to allow completion of all listed projects. Alternatively, if the District obtains unexpected funds from non-bond sources with respect to listed projects, such projects may be enhanced, supplemented or expanded to the extent of such funds. Some projects may be subject to further government approvals, including by State officials and boards and/or local environmental or agency approval. Inclusion of a project on the Bond Project List is not a guarantee that the project will be completed (regardless of whether bond funds are available).
The specific projects authorized to be financed with proceeds of the bonds under this proposition are as follows:

### PROJECTS TO IMPROVE SCHOOL SAFETY AND LEARNING ENVIRONMENTS FOR A 21ST CENTURY EDUCATION

The following projects are authorized to be financed at all school sites and school support facilities.

#### School Renovation, Repair and Upgrade Projects

- Modernize, upgrade, renovate, rehabilitate, re-configure, expand and/or upgrade classrooms, classroom buildings, labs, restrooms, common areas and school support facilities (including library, multipurpose room/auditorium, food storage, preparation and service, cafeteria and office/staff support facilities, whether permanent, portable or modular, including interior and exterior (as applicable) doors, windows, door and window hardware, roofs, rain gutters and downspouts, walls, ceilings and floors and finishes, paint, siding, insulation, casework, cabinets, secured storage, carpets, drapes, window coverings, infrastructure, lighting, sinks, drinking fountains, fixtures, signage, fencing, landscaping, furniture and equipment.

- Renovate, replace, upgrade, acquire, install and/or integrate major site/building/utility systems, equipment and related infrastructure and housing, including lighting, electrical (including electrical switchgear and related infrastructure for modern technology), cooling, heating, refrigeration, and ventilation, water, sewer, gas, irrigation, drainage, and energy efficiency/management monitoring systems, networks, fixtures, equipment and controls.

- Renovate, repair, re-configure and/or modernize portable classroom buildings or replace such buildings with permanent or modular classroom buildings.

- Repair, renovate, replace, upgrade, acquire, and install roofing and insulation.

All or portions of these projects may be used as joint-use projects within the meaning of Section 17077.42(c) of the Education Code (or any successor provision).

#### School Site Health, Safety and Security Projects

- Upgrade and/or acquire and install security systems and equipment, including security alarms, cameras, and fencing.

- Renovate, repair, replace, resurface, upgrade, expand, construct and/or install asphalt, paving, and other hard surfaces in parking areas, playgrounds, outside instructional areas and playfields.

- Renovate, repair, replace, upgrade, expand and/or install and improve fencing.

- Upgrade or replace buildings for seismic mitigation.

All or portions of these projects may be used as joint-use projects within the meaning of Section 17077.42(c) of the Education Code (or any successor provision).

#### District-Wide Wiring and Technology for Instructional Support and Effective Learning Environment Projects

- Acquire and install technology equipment, fixtures and infrastructure, including audio systems, video systems, security cameras, network equipment (including servers, network interface devices, network switches and routers, wireless network equipment, firewalls, network security equipment, racking, power and cooling equipment, wiring and uninterruptible power supplies), etc.

- Upgrade, expand, replace, acquire and/or install campus wide wireless systems, and telecommunications, internet, and network connections.

- Upgrade, replace, acquire and/or install media, audio/visual equipment, and other technology equipment and fixtures.

All or portions of these projects may be used as joint-use projects within the meaning of Section 17077.42(c) of the Education Code (or any successor provision).

#### Construction Projects at School Sites

- Construct additional classrooms/classroom buildings, restrooms, and related school facilities.

- Update/modernize, renovate, rehabilitate, re-configure, expand, and/or construct science labs and career-training classrooms and related facilities, including science, computer, math, engineering, shop, art and design labs and classrooms, and furnish and equip such labs and classrooms.

- Construct/install athletic facilities and areas, including athletic stadiums, gymnasiums, tracks and synthetic turf fields, tennis courts and other hardcourts, pools, field houses, baseball/softball dugouts, scoreboards, and related athletic facilities.

All or portions of these projects may be used as joint-use projects within the meaning of Section 17077.42(c) of the Education Code (or any successor provision).
### Miscellaneous

All listed bond projects include the following as needed:

- Planning, designing and providing temporary housing necessary for listed bond projects.
- Necessary onsite and offsite preparation or restoration in connection with new construction, renovation or remodeling, or installation or removal of relocatable buildings, including demolition of structures; removing, replacing, or installing irrigation, drainage, utility lines (gas, water, sewer, electrical, data and voice, etc.), trees and landscaping; relocating fire access roads; and acquiring any necessary easements, licenses, land or rights of way made necessary by listed bond projects.
- Address other unforeseen conditions revealed by construction, renovation or modernization (including plumbing or gas line breaks, dry rot, seismic and structural deficiencies, etc.).
- Acquire or construct storage facilities and other space on an interim basis, as needed to accommodate construction materials, equipment, and personnel, and interim classrooms (including relocatables) for students and school functions or other storage for classroom materials displaced during construction.
- For any project involving renovation, rehabilitation or repair of a building or the major portion of a building, the District shall be authorized to proceed with new replacement construction/re-construction instead (including any necessary demolition), if the Board of Education of the District determines that replacement and new construction/re-construction is more practical than renovation, rehabilitation and repair, considering the building’s age, condition, expected remaining life, comparative cost and other relevant factors.
- Furnishing and equipping of classrooms and other school facilities; furnishing and equipping shall include initial purchases, and scheduled and necessary replacements, upgrades and updating of technology.
- All other costs and work necessary and incidental to the listed bond projects.

### Impartial Analysis

**Garden Grove Unified School District**

**Measure P**

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 Education of the Garden Grove Unified School District has proposed to the voters within the Garden Grove Unified School District that general obligation bonds be issued in an amount up to $311,000,000 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 modernize, repair, construct and upgrade school facilities within the Garden Grove Unified School District, including upgrading inadequate electrical systems, gymnasiums and playgrounds; modernizing technology and security infrastructure; repairing or replacing roofs, carpets and window coverings; repairing or replacing HVAC systems and plumbing; and constructing athletic facilities and areas including stadiums, pools and tennis and other hard courts. 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 Garden Grove Unified School District. In addition, annual performance and financial audits will be conducted. The measure also requires the Superintendent of the Garden Grove Unified School District to submit a yearly report to the Board of Education 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.

The Board of Education of the Garden Grove Unified 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 Garden Grove Unified 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.
Tax Rate Statement
Garden Grove Unified School District
Measure P

An election will be held in the Garden Grove Unified School District (the “District”) on November 8, 2016, to authorize the sale of up to $311,000,000 in bonds of the District to finance school facilities as described in the proposition. If the bonds are approved, the District expects to issue the Bonds in multiple series over time. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property in the District. The following information is provided in compliance with Sections 9400 through 9404 of the California Elections Code.

1. The best estimate of the tax 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 estimated assessed valuations available at the time of filing of this statement, is 3.40 cents per $100 ($34.00 per $100,000) of assessed valuation in fiscal year 2017-18.

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 estimated assessed valuations available at the time of filing of this statement, is 3.40 cents per $100 ($34.00 per $100,000) of assessed valuation in fiscal year 2025-26.

3. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is 3.40 cents per $100 ($34.00 per $100,000) of assessed valuation and is expected to remain approximately the same in each year during the term of repayment of the bonds.

4. The best estimate of the total debt service is $575,000,000, which includes the principal and interest that would be required to be repaid if all of the bonds are issued and sold.

Voters should note that estimated tax rates are based on the ASSESSED VALUE of taxable property on the County’s official tax rolls, not on the property’s market value, which could be more or less than the assessed 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. Certain taxpayers may also be eligible to postpone payment of taxes. Property owners should consult their own property tax bills and tax advisors to determine their property’s assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon the District’s projections and estimates only, which are not binding upon the District. The actual tax rates and the years in which they will apply, and the actual total debt service, 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 dates of sale and the amount of bonds sold at any given time will be determined by the District based on need for construction funds and other factors, including the legal limitations on bonds approved by a 55% affirmative vote. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation 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.

Dated: August 9, 2016.

s/Gabriela Mafi, Ed.D.
Superintendent of Schools
Garden Grove Unified School District
Argument in Favor of Measure P

Voting YES on P maintains quality education for local students and prepares our graduates for college and careers.

With 67 schools serving students in Garden Grove, Anaheim, Cypress, Fountain Valley, Santa Ana, Stanton, Westminster and unincorporated areas, Garden Grove Unified School District provides high-quality education for local students.

Many local schools are over 50 years old and need repairs and upgrades to continue providing a safe, modern learning environment for students for decades to come. Some schools need earthquake safety improvements and classrooms without air conditioning reach uncomfortable temperatures over 90 degrees. Classrooms and science labs built decades ago must be updated to support modern instruction in science, math and 21st-century technology.

Voting Yes on P upgrades local schools to protect quality education and helps our schools qualify for state matching funds that will otherwise go to other communities.

Yes on P will:

- Repair leaky roofs, old rusty plumbing and faulty electrical systems
- Upgrade classrooms, labs and access to instructional technology to keep pace with technology and improve student learning in core subjects
- Provide career technical education facilities to prepare students for college and 21st-century jobs in fields like health sciences, engineering and technology
- Install air conditioning to improve air quality and prevent overheated classrooms
- Retrofit older buildings for earthquake safety

Accountability Requirements

- All funds must stay local to support our students and cannot be taken by the State
- A Citizens’ Oversight Committee and independent audits ensure funds are spent only for priorities on the detailed project list
- By law, no money can be used for administrator salaries or benefits

Whether or not you have school-age children, protecting the quality of our schools, the quality of life in our community and the value of our homes is a wise investment.

Vote YES on P for local schools!

s/ Dr. George West
Educator/President of the Garden Grove Unified School District

s/ Tina Gustin-Gurney
Teacher/President, Garden Grove Education Association

s/ Lan Quoc Nguyen
Attorney/Businessman/Member, Garden Grove Unified School District Board of Education

s/ Walter Muneton
Truancy Reduction Officer

s/ Maureen Blackmun
President, Central Garden Grove Neighborhood Association

No argument against this measure was submitted.