

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE
ANAHEIM UNION HIGH SCHOOL DISTRICT**

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

RESOLUTION NO. 2024/25-B-01

July 18, 2024

On the motion of Trustee _____ and duly seconded, the following resolution was adopted.

WHEREAS, the Board of Trustees of the Anaheim Union High School District (the "District" or "AUHSD") is devoted to improving the quality of education in our local public schools by making classrooms safe by removing hazardous materials, like asbestos and lead pipes from older schools, and upgrading schools to meet current health and safety codes, ensuring accessibility for students with disabilities; and

WHEREAS, the Board has determined that older schools in Anaheim, Cypress, Buena Park, La Palma and Stanton need to be upgraded, in a fiscally prudent manner, to provide modern science labs and career technical facilities and equipment so students are prepared for college and in-demand careers in fields like health sciences, engineering, technology, and skilled trades; and

WHEREAS, since most of our schools were built 60 plus years ago, additional resources are necessary to make basic improvements, including repairing deteriorating infrastructure, including roofs, plumbing, gas lines, sewer, heating, ventilation and electrical systems in older classrooms and facilities; and

WHEREAS, with the acquisition of updated technology and communication systems student and fire safety can be enhanced; and

WHEREAS, the Board believes that if we want AUHSD students to succeed in high school, college, and careers they must be skilled in the use of today's technology and have a solid background in science, math, engineering, and technology and replacing aging portable classrooms with modern, permanent classrooms will help that become possible; and

WHEREAS, upgrading our schools will allow AUHSD to continue to recruit and retain quality teachers during a national and California teacher shortage; and

WHEREAS, the State of California (the "State") does not provide the District with enough money for the District to adequately construct and repair schools to provide an optimal learning environment for all students; and

WHEREAS, the Board has received information regarding the possibility of a local bond measure and its bonding capacity; and

WHEREAS, a local measure will provide funds that cannot be taken away by the State to upgrade aging local schools, protect student safety and help the District qualify for State matching funds; and

WHEREAS, such measure will include a transparent system of accountability, including a project list detailing exactly how money will be used, require an independent citizens' oversight committee and public disclosure of how all funds are spent; and

WHEREAS, the Board desires to finance the costs of acquiring, constructing, reconstruction and/or equipping of school facilities (the "Projects") as described in Exhibit B hereto; and

WHEREAS, the District intends to finance the acquisition, construction, reconstruction and/or equipping of the Projects or portions of the Projects with the proceeds of the sale of general obligation bonds if authorized by this measure (the "Obligations"); and

WHEREAS, prior to the issuance of the Obligations, the District desires to incur certain capital expenditures (the "Expenditures") with respect to the Projects from available moneys of the District; and

WHEREAS, the Board has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the District for the Expenditures from the proceeds of the Obligations; and

WHEREAS, on November 7, 2000, the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act ("Proposition 39") which reduced the voter threshold for *ad valorem* property tax levies used to pay for debt service on bonded indebtedness to 55% of the votes cast on a school district general obligation bond; and

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

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

WHEREAS, the Board desires to authorize the submission of a proposition to the District's voters at an election to authorize the issuance of bonds to pay for certain necessary improvements and enhancements to District educational facilities which will improve the health, safety and quality of education for students in the District; and

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

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

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

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

WHEREAS, pursuant to the Elections Code, it is appropriate for the Board to request consolidation of the election with any and all other elections to be held on Tuesday, November 5, 2024, and to request the Orange County Registrar of Voters to perform certain election services for the District.

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

Section 1. That the Board, pursuant to Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506, hereby requests the Orange County Registrar of Voters to conduct an election under the provisions of Proposition 39 and the Act and submit to the electors of the District the question of whether bonds of the District in the aggregate principal amount of \$496,000,000 (the "Bonds") shall be issued and sold for the purpose of raising money for the projects described in Exhibits "A" and "B" hereto. Both exhibits are directed to be printed in the voter pamphlet. The District's Superintendent, or designee, is hereby authorized and directed to make any changes to the text of the measure, or to the abbreviated form of the measure, as may be convenient or necessary to comply with the intent of this Resolution, the requirements of election officials, and requirements of law.

Section 2. That the date of the election shall be November 5, 2024.

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

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

(b) that the Board, in establishing the projects set forth in Exhibit "B," evaluated the safety, class size reduction, classroom, educational and information technology needs of the District as well as the importance of the projects to improve student learning in core subjects like math, science, engineering, and technology;

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

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

(e) that the Board shall appoint a Citizens' Oversight Committee in compliance with Education Code Section 15278 no later than 60 days after the Board enters the election results in its minutes pursuant to Education Code Section 15274. The Citizens' Oversight Committee shall initially consist of at least seven (7) members and at no time consist of less than seven (7) members, with the possible exception of brief periods to fill any unexpected vacancies. The Citizens' Oversight Committee may not include any employee or official of the District or any vendor, contractor or consultant of the District. The Citizens' Oversight Committee shall include all of the following: One (1) member who is active in a business organization representing the business community located within the District; One (1) member who is active in a senior citizens' organization; One member who is active in taxpayers association. In furtherance of its specifically enumerated purposes, the Citizens' Oversight Committee may engage in any of the following activities relating solely and exclusively to the expenditure of the Proposition 39 bond proceeds:

(i) Receive and review copies of the annual, independent financial and performance audits performed by independent consultant(s);

(ii) Inspect District facilities and grounds to ensure that Proposition 39 bond revenues are expended in compliance with applicable law;

(iii) Receive and review copies of all scheduled maintenance proposals or plans developed by the District;

(iv) Review efforts of the District to maximize Proposition 39 bond revenues by implementing cost-saving programs; and

(f) that the tax levy authorized to secure the bonds of this election shall not exceed the Proposition 39 limits per \$100,000 of taxable property in the District when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution.

(g) that the Board will maintain a reserve of 2% - 3% of general funds for economic uncertainties;

(h) that the Board will budget 2-3% of its operating revenues for maintenance of facilities;

(i) that the Board will seek to set aside at least 2% of the value of the Bonds issued from the general fund for future construction and repairs;

(j) that if the measure is successful the Board will adopt a "No Pay to Play" policy as recommended by the Orange County Taxpayers Association;

(k) that the bonds will be sold at a competitive sale.

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

Section 5. That the authority for the specifications of this election order is contained in Education Code Section 5322. In connection with ordering the election pursuant to the provisions mentioned above, the District has obtained reasonable and informal projections or assessed property valuations that take into consideration projections of assessed property valuations made by the county assessor that are available to the District.

Section 6. That the Orange County Registrar of Voters and the Orange County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 5, 2024 within the District. As provided in Elections Code Section 10403, the District acknowledges that the consolidation election will be conducted in the manner described in Elections Code Section 10418.

Section 7. That the Secretary of the Board is hereby directed to deliver a certified copy of this Resolution to the Orange County Registrar of Voters no later than August 9, 2024.

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

Section 9. That the Board requests the governing body of any such other political subdivision, or any officer otherwise authorized by law, to partially or completely consolidate such election and to further provide that the canvass of the returns of the election be made by any body or official authorized by law to canvass such returns, and that the Board consents to such consolidation. The Board further authorizes the submission of a tax rate statement and primary and rebuttal arguments, as appropriate, to be filed with the Orange County Registrar of Voters by the established deadlines.

Section 10. That the Board authorizes the Superintendent or his designee to enter into professional services agreements with Keygent LLC, as municipal advisor and Stradling Yocca Carlson & Rauth LLP, as bond counsel in connection with the matters authorized by this resolution.

Section 11. Pursuant to Education Code Section 5303 and Elections Code Section 10002, the Board of Supervisors of Orange County is requested to permit the Registrar of Voters to render all services specified by Elections Code Section 10418 relating to the election, for which services the District agrees to reimburse Orange County, such services to include the publication of a Formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Elections Code Section 9401) pursuant to the terms of Education Code Section 5363 and Elections Code Section 12112.

Section 12. The District hereby states its intention to and reasonably expects to reimburse Projects costs incurred prior to the issuance of the Obligations with proceeds of the Obligations. Exhibit B hereto describes the general character, type, purpose, and function of the Projects. This resolution is being adopted not later than sixty (60) days after the payment of the original Expenditures (the "Expenditures Date" or "Expenditures

Dates”). This resolution is adopted as official action of the District in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of District expenditures incurred prior to the date of issue of the Obligations.

ADOPTED, SIGNED AND APPROVED this 18th day of July, 2024.

BOARD OF TRUSTEES OF THE ANAHEIM UNION
HIGH SCHOOL DISTRICT

By _____
Annemarie Randle-Trejo, President

Attest:

Michael B. Matsuda
Superintendent and
Secretary to the Board of Trustees

STATE OF CALIFORNIA)
)ss
ORANGE COUNTY)

I, Michael B. Matsuda, do hereby certify that the foregoing is a true and correct copy of Resolution No. 2024/25-B-01, which was duly adopted by the Board of Trustees of the Anaheim Union High School District at the meeting thereof held on the 18th day of July, 2024, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

By _____
Michael B. Matsuda
Superintendent and
Secretary to the Board of Trustees

EXHIBIT A

"To repair and upgrade older local schools and improve quality education; fix deteriorating roofs, plumbing, electrical; remove asbestos/ lead pipes; repair, construct, acquire classrooms, science labs, facilities, career technology, sites, equipment; support college/ career readiness in math, science, technology, engineering, arts, skilled trades, shall Anaheim Union High School District's measure be adopted authorizing \$496,000,000 in bonds at legal rates, levying 3¢/ \$100 assessed value (\$33,000,000 annually) while bonds are outstanding, with citizen oversight, audits, and all money locally controlled?"

Bonds – Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE ANAHEIM UNION HIGH SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 5, 2024

The following is the full proposition presented to the voters of the Anaheim Union High School District.

"To repair and upgrade older local schools and improve quality education; fix deteriorating roofs, plumbing, electrical; remove asbestos/ lead pipes; repair, construct, acquire classrooms, science labs, facilities, career technology, sites, equipment; support college/ career readiness in math, science, technology, engineering, arts, skilled trades, shall Anaheim Union High School District's measure be adopted authorizing \$496,000,000 in bonds at legal rates, levying 3¢/ \$100 assessed value (\$33,000,000 annually) while bonds are outstanding, with citizen oversight, audits, and all money locally controlled?"

PROJECT LIST

The Board of Trustees of the Anaheim Union High School District is committed to providing safe, secure, upgraded classrooms, science labs, career technical facilities and technology needed to support high quality instruction which will prepare students for college and in-demand jobs in fields like health sciences, engineering, technology, and skilled trades. To that end, the Board evaluated the District's urgent and critical technology and facility needs, including failing infrastructure, safety issues, class size reduction, **basic repairs**, computer and information technology in developing the types of projects to be funded by this measure as described below.

In approving this Project List, the Board of Trustees determines that the District **must:**

- (i) **Upgrade older schools so they meet current health and safety codes and ensuring accessibility for students with disabilities; and**
- (ii) **Remove hazardous materials, like asbestos and lead pipes from older schools; and**
- (iii) **Provide modern science labs and career technical facilities and equipment so students are prepared for college and in-demand careers in fields like health sciences, engineering, technology, and skilled trades; and**
- (iv) **Repair deteriorating infrastructure, including roofs, plumbing, gas lines, sewer, heating, ventilation, and electrical systems in older classrooms and facilities; and**
- (v) **Enhance student and fire safety measures through updated technology and communication systems, security fencing, smoke detectors, fire alarms and sprinklers; and**
- (vi) **Provide a clear system of community accountability, including a project list detailing exactly how the money will be used, a Citizens' Oversight Committee, and public disclosure of how all funds are spent.**

The Project List includes the following types of upgrades and improvements at schools, facilities and sites within the District:

LOCAL SCHOOL SAFETY & IMPROVEMENT PROJECTS TO IMPROVE THE QUALITY OF EDUCATION AND RECRUIT AND RETAIN QUALITY TEACHERS

School Repair and Upgrade Projects Funded By Money That Cannot Be Taken By The State

Goals and Purposes:

Most of AUHSD schools were built 60 plus years ago when asbestos and lead pipes were used during construction. We need to remove these hazardous materials from our schools.

Some schools were built so long ago that underground pipes and infrastructure are failing, resulting in gas leaks, water leaks, and sewage backup. We need to fix these problems.

Our students deserve to have the same educational opportunities as others in the region. By fixing our older schools and upgrading our classrooms and instructional technology, this bond will help improve the quality of education in our local schools.

- **Remove hazardous materials like asbestos and lead pipes from older school schools.**
- **Upgrade older schools so they meet current health codes and building safety codes and provide proper access for students with disabilities.**
- **Make repairs to older classrooms and school facilities including deteriorating roofs, plumbing, gas lines, sewer, heating, ventilation, and electrical systems.**
- **Provide modern classrooms and facilities needed to provide high quality instruction in music, visual and performing arts instruction.**
- **Improve student safety and campus security systems, including fencing, emergency communications systems, smoke detectors, fire alarms and sprinklers.**
- **Retrofit older school buildings so they are earthquake safe.**

STUDENT ACHIEVEMENT: LOCAL SCHOOL FUNDING TO SUPPORT HIGH QUALITY INSTRUCTION IN MATH, SCIENCE, ENGINEERING AND TECHNOLOGY

Projects That Improve Student Success

Goals and Purposes:

If we want AUHSD students to succeed in high school, college, and careers, they must be skilled in the use of today's technologies and have a solid background in science, math, engineering and technology. This measure will make this possible.

There are 116 portable classrooms at AUHSD schools that are 20 years plus years old and are falling apart. Many have structural damage and water leaks and are expensive to keep repairing. This measure is needed to replace decaying portables with modern, permanent classrooms.

- Provide the modern classrooms, labs and technology needed to support high quality instruction in **math, science, engineering, and technology.**
- Provide modern science labs and career technical facilities so students are prepared for college and in-demand careers in fields like health sciences, engineering, technology, and skilled trades.
- **Enhance student and fire safety measures through updated technology and communication systems.**
- **Replace costly and aging portable classrooms with modern, permanent classrooms.**
- Keep computer systems and instructional technology up-to-date.

In addition to the projects listed above, the repair and renovation of District's existing schools and facilities, including administrative offices, may include, but not be limited to, some or all of the following: add or renovate student and staff restrooms; repair and replace electrical, plumbing, heating, ventilation and air conditioning systems; upgrade of facilities for energy efficiencies; repair and replace worn-out and deteriorated roofs, windows, walls, floors, doors and drinking fountains; construct or renovate offices and facilities for professional development of teachers, more efficient administration and multi-purpose learning and collaboration spaces and libraries; install wiring and electrical systems to safely accommodate computers, technology and other electrical devices; upgrade or construct support facilities including administrative, physical education, including gyms, lockers, weight rooms, showers, and aquatic facilities, music, art, visual and performing and fine arts classrooms or facilities, student union, co-labs, (outdoor amphitheatres), science, computer labs/classrooms, auditoriums, libraries and buildings, swing space, covered eating areas, shade structures, (maintenance and operations facilities and yards); repair and replace fire alarms, emergency communications and security systems; improve facilities to

satisfy ADA requirements; resurface or replace asphalt, broken concrete and improve hard courts, turf and irrigation/drainage systems, all-weather synthetic outdoor tracks and fields, and campus landscaping; install signage, marquees, fencing and solar panels; expand parking and drop-off areas; improve all site utilities; acquire land; construct new school buildings; upgrade or replace interior and exterior painting, floor covering (including carpets), portable classrooms and school facades; demolition; upgrade or construct central and finishing kitchens, food service, and school cafeterias; construct various forms of storage and support spaces and classrooms; improve outdoor learning environments and quads; repair, upgrade and install interior and exterior lighting and energy-efficient building systems; construct, acquire or improve playgrounds, play structures, athletic fields, tennis courts, gymnasiums, tracks and facilities to support student health, fitness and safety, and other facilities serving District students; replace outdated security fences and security systems (including access control systems), provide lunch shelters, upgrade music, art, performing arts and vocational education classrooms, multi-purpose rooms, learning, media, fitness and wellness centers; add or upgrade parking lots. In addition to the listed projects stated above, the Project 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; 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.

The upgrading of technology infrastructure includes, but is not limited to, network rewiring, cabling, computers, mobile interface devices, data centers, switches, routers, modules, sound projection systems, public address systems, laser printers, digital white boards, document projectors, upgrade voice-over-IP, clock/telephone/ intercom systems, call manager and IT security, wireless technology systems, refresh classroom technology, acquire necessary software and miscellaneous IT and instructional equipment, data storage, phones, identity cards and the construction and installation of a data center in the cloud for the District enterprise systems, such as resource planning, websites, domain name systems, cloud applications and information security.

The budget for each project is an estimate and may be affected by factors beyond the District's control. 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 portable classrooms and 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 on-site and off-site improvements, site preparation and 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 or drainage systems, traffic signals, sewer or utility lines, trees and landscaping, relocating fire access roads, road widening, and acquiring any necessary easements, licenses, permits or rights of way to the property. The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, legal fees and similar planning costs, connection fees, permit fees, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. 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. Bond proceeds shall only be expended for the types of projects and 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.

FISCAL ACCOUNTABILITY: THIS MEASURE REQUIRES A CLEAR SYSTEM OF ACCOUNTABILITY, INCLUDING A PROJECT LIST DETAILING HOW THE MONEY WILL BE USED, A CITIZEN'S OVERSIGHT COMMITTEE, INDEPENDENT AUDITS TO ENSURE MONEY IS SPENT PROPERLY AND PUBLIC DISCLOSURE OF HOW ALL MONEY IS SPENT.

IN ACCORDANCE WITH EDUCATION CODE SECTION 15272, THE BOARD OF EDUCATION WILL APPOINT A CITIZENS' OVERSIGHT COMMITTEE AND CONDUCT ANNUAL INDEPENDENT AUDITS TO ASSURE THAT FUNDS ARE SPENT ONLY ON DISTRICT PROJECTS AND FOR NO OTHER PURPOSE. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. BY LAW, PERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS' OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATION OF A BONA FIDE TAXPAYERS ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS ORGANIZATION. NO DISTRICT EMPLOYEES OR VENDORS ARE ALLOWED TO SERVE ON THE CITIZENS' OVERSIGHT COMMITTEE.

NO ADMINISTRATOR SALARIES: PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE USED ONLY FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION, OR REPLACEMENT OF SCHOOL FACILITIES, INCLUDING THE FURNISHING AND EQUIPPING OF SCHOOL FACILITIES, AND NOT FOR ANY OTHER PURPOSE, INCLUDING TEACHER AND SCHOOL ADMINISTRATOR SALARIES AND OTHER OPERATING EXPENSES.