

MEASURE G

Approval of Measure G does not guarantee that the proposed project or projects in the Sunnyvale School District that are the subject of bonds under Measure G will be funded beyond the local revenues generated by Measure G. The school district's proposal for the project or projects may assume the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE G

Upon approval of 55% of the votes cast by voters in an election, California law permits school districts to issue bonds, secured by the levy of ad valorem taxes on property within a district, for the purpose of 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.

The Board of Education (Board) of the Sunnyvale School District (District) proposes issuing bonds in the amount of up to \$96,000,000. As identified in the measure, bond proceeds would be used to (1) upgrade classrooms, libraries, and science and computer labs; (2) improve student access to computers and instructional technology; and (3) continue to improve the energy efficiency of classrooms and buildings. A list of the schools for which the bond proceeds will be used and the specific projects intended to be funded with those proceeds is set forth in the full text of the measure.

The California Constitution provides that proceeds of school district bond measures cannot be used for teacher and administrator salaries and other school operating expenses. The District would conduct performance and financial audits, and appoint an independent citizens' oversight committee to ensure bond proceeds are expended as promised.

The District's best estimate of the tax rate to be levied to fund the proposed bond issue is \$15.00 per \$100,000 during the first fiscal year after the first sale of the bonds. The District's best estimate of the tax rate to be levied to fund the proposed bond issue is \$15.00 per \$100,000 during the first fiscal year after the last sale of the bonds. The District's best estimate of the highest tax rate required to fund the bond issue is \$15.00 per \$100,000 per fiscal year of assessed valuation.

A "yes" vote is a vote to authorize the issuance and sale of the bonds in the amount of up to \$96,000,000 to be secured by the levy of ad valorem taxes on property located within the District.

A "no" vote is a vote not to authorize the issuance and sale of the bonds in the amount of up to \$96,000,000 to be secured by the levy of ad valorem taxes on property located within the District.

Orry P. Korb
County Counsel

By: /s/ Susan Swain
Lead Deputy County Counsel

COMPLETE TEXT OF MEASURE G

Pursuant to sections 5304, 5322, 15100 *et seq.*, and section 15266 of the California Education Code, an election shall be held within the boundaries of the District on November 5, 2013, for the purpose of submitting to the registered voters of the District the following proposition:

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 \$96,000,000 in aggregate principal amount to provide financing for the specific school facilities projects listed in the Bond Project List, subject to all of the accountability safeguards specified below. Bonds will be issued in one series.

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 wisely to address specific facilities needs of the District, all in compliance with the requirements of Article XIII A, section 1(b)(3) of the State Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at section 15264 *et seq.* of the California Education Code).

Evaluation of Needs. The Board of Education has updated its facilities plan in order to evaluate and address all of the facilities needs of the District, and to determine which projects to finance from a local bond at this time. The Board of Education hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List.

Independent Citizens' Oversight Committee. The Board of Education shall establish and maintain an independent Citizens' Oversight Committee (section 15278 *et seq.* of the California Education Code), 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 of Education.

Annual Performance Audits. The Board of Education shall cause to 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.

Annual Financial Audits. The Board of Education shall cause to 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.

Special Bond Proceeds Account; Annual Report to Board. Upon approval of this proposition and the sale of any bonds approved, the Board of Education 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 shall cause a report to be filed with the Board no later than January 1 of each year, commencing January 1, 2014, stating (1) the amount of bond proceeds received and expended in that year, and (2) the status of any project funded or to be funded from bond proceeds. The report

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may relate to the calendar year, fiscal year, or other appropriate annual period as the Superintendent shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

BOND PROJECT LIST

The Bond Project List shall be considered a part of the ballot proposition, and shall be reproduced in any official document required to contain the full statement of the bond proposition.

The Bond Project List, which is an integral part of this proposition, lists the specific projects the District proposes to finance with proceeds of the Bonds. Listed repairs, rehabilitation projects and upgrades will be completed as needed. Each project is assumed to include its share of costs of the election and bond issuance, architectural, engineering, and similar planning costs, construction management, and a customary contingency for unforeseen design and construction costs. 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, including State grant funds for eligible projects, have not yet been secured. Therefore the Board of Education cannot guarantee that the bonds will provide sufficient funds to allow completion of all listed projects.

FURTHER SPECIFICATIONS

No Administrator Salaries. 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.

Single Purpose. All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to section 15100 of the California Education Code, 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 section 53410 of the California Government Code.

Other Terms of the Bonds. When sold, the bonds shall bear interest at an annual rate not exceeding the statutory maximum, and that interest will 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 later than the maximum term permitted by law.

SUNNYVALE SCHOOL DISTRICT

BOND PROJECT LIST

The Sunnyvale Elementary School District will use bonds funds to provide up to date classrooms, replace 50 year old underground water sewer and gas lines, and replace old and inefficient electrical, lighting, heating, plumbing and ventilation systems where needed. In addition, all schools need to improve student access to computers and instructional technology as well as ongoing funding for the repair and renovations to keep the schools safe and secure.

COMPLETE TEXT OF MEASURE G - Continued

Bond funds will be used in combination with any other received State matching funds. The Sunnyvale Elementary School District will use bond funds for the following school facility improvement projects. All schools listed below will receive bond funds:

- Bishop Elementary, 450 N. Sunnyvale Ave, Sunnyvale, CA 94085. Built 1948
- Cherry Chase, 1138 Heatherstone Way, Sunnyvale, CA 94087. Built 1955
- Cumberland Elementary, 824 Cumberland Ave, Sunnyvale, CA 94087. Built 1964
- Ellis Elementary, 550 E. Olive Avenue, Sunnyvale, CA 94086. Built 1953
- Fairwood Elementary, 1110 Fairwood Avenue, Sunnyvale, CA 94089. Built 1956
- Lakewood Elementary, 750 Lakechime Drive, Sunnyvale, CA 94089. Built 1958
- San Miguel Elementary, 777 San Miguel Avenue, Sunnyvale, CA 94085. Built 1957
- Vargas Elementary, 1054 Carson Drive, Sunnyvale, CA 94086. Built 1956
- Columbia Middle School, 739 Morse Avenue, Sunnyvale, CA 94085. Built 1955
- Sunnyvale Middle School, 1080 Mango Avenue, Sunnyvale, CA 94087. Built 1961
- District Office and Corporation Yard, 825 West Iowa Avenue, Sunnyvale, CA 94086.
- Adair School, 820 W. McKinley Avenue, Sunnyvale, CA 94086. Built 1956
- De Anza School, 1196 Lime Avenue, Sunnyvale, CA 94087. Built 1957
- Hollenbeck School, 1185 Hollenbeck Avenue, Sunnyvale, CA 94087. Built 1961

Four schools, Sunnyvale Middle School, Bishop Elementary, Cherry Chase Elementary, and Ellis Elementary need to be renovated and modernized.

School Bond Renovation and Modernization Projects include:

- Renovate classrooms to create comparable classrooms throughout the District
- Replace inefficient energy systems, including new windows, lighting.
- Replace old underground utilities including gas, water and sewer lines.
- Fix or replace roofs.
- Install solar panels to reduce energy costs.
- Improve seismic safety.
- Replace old heating, ventilation, electrical and plumbing systems.

Other School District Projects

- Improve student access to computers and technology
- Update and improve school safety and security
- Make necessary repairs and renovations at all district sites.

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- Build new computer labs and/or update existing labs
- Build new libraries and /or update existing libraries
- Remove hazardous materials, such as asbestos, lead, etc., where necessary.
- Address unforeseen conditions revealed by construction/modernization (such as plumbing or gas line breaks, dry rot, seismic, structural, etc.).
- Other improvements required to comply with existing building codes, including the Field Act, and access requirements of the Americans with Disabilities Act.
- Necessary site preparation/restoration in connection with new construction, renovation or remodeling, or installation or removal of re-locatable classrooms, including removing, replacing, or installing irrigation, utility lines (such as gas lines, water lines, electrical lines, sewer lines, and communication lines), trees and landscaping.
- Rental or construction of storage facilities and other space on an interim basis, as needed to accommodate construction materials, equipment, and personnel, and interim classrooms (including re-locatable classrooms) for students and school functions or other storage for classroom materials displaced during construction.
- All work necessary and incidental to specific projects described above, including demolition of existing structures.
- Paint the interior and exterior of buildings.
- Repair and replace damaged and uneven paving and concrete.
- Provide classroom furniture and equipment as needed
- Renovate playgrounds and add play structures to improve student safety
- Expand pre-school facilities
- Replace portables with permanent classrooms

The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program management, staff training expenses and a customary contingency, and escalation for unforeseen design and construction costs. In addition to the listed projects stated above, the Project List also includes the 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 bond projects. The upgrading of technology infrastructure includes, but is not limited to, computers, LCD projectors, portable interface devices, servers, switches, routers, modules, sound projection systems, laser printers, digital white boards, document projectors, upgrade voice-over-IP, call manager and network security/firewall, and other miscellaneous equipment and software.

The allocation of bond proceeds may be affected by the District's receipt of State matching funds and the final costs of each project. In the

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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 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 are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating enhanced and operationally efficient campuses. Necessary site preparation/restoration and landscaping, may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, redirecting fire access, and acquiring any necessary easements, licenses, or rights of way to the property.

Bond proceeds shall be expended only for the specific purposes identified herein. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to the bond projects. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements.

TAX RATE STATEMENT

An election will be held in the Sunnyvale School District (the "District") on November 5, 2013, to authorize the sale of up to \$96,000,000 in bonds of the District for the specific school facilities projects listed in the Bond Project List established by the District, as described in the proposition. If the bonds are authorized, the District expects to sell the bonds in several series. 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 9400-9404 of the Elections Code of the State of California.

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 \$15.00 per \$100,000 of assessed valuation in fiscal year 2014-15.

2. 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 last series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$15.00 per \$100,000 of assessed valuation in fiscal year 2028-29.

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 \$15.00 per \$100,000 of assessed valuation in fiscal year 2014-15.

4. The best estimate of the average tax rate which would be required to be levied to fund this bond issue during the life of the bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$13.50 per \$100,000 of assessed valuation.

Voters should note that estimated tax rate is based on the ASSESSED VALUE of taxable property on Santa Clara County's official tax rolls, not on the property's market value. Property owners should consult their own property tax bills 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 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. 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 Santa Clara County Assessor in the annual assessment and the equalization process.

Dated: June 20, 2013.

/s/ Benjamin H. Picard
Superintendent
Sunnyvale School District

ARGUMENT IN FAVOR OF MEASURE G

A Yes vote on Measure G will raise funds to address specific needs at all of the schools in the Sunnyvale School District. By continuing to invest in the renovation and expansion of our local schools, we are able to provide our students with an educational environment which supports achievement and success.

Sunnyvale voters approved Measure P in 2004. Since then, the district has added 42 new classrooms to accommodate increasing enrollment, installed new fire alarm systems, replaced leaking and deteriorating roofs, upgraded electrical and plumbing systems, renovated student restrooms, completed safety and seismic upgrades, and increased student and teacher access to classroom computers and technology. But there is much more to do.

There are still many classrooms that need to be renovated and updated. Greater energy efficiency can be achieved by replacing windows, light fixtures and old heating and electrical systems. In some schools, floors and failing ventilation systems need to be replaced.

Passage of Measure G will allow the district to:

- Modernize and renovate classrooms.
- Complete the upgrading of water, gas, sewer, electrical, communications and safety systems.
- Upgrade and improve infrastructure to increase the ability of students and teachers to use classroom computers and technology.

Measure G provides for strict accountability. The School Board adopted a specific project list when calling the election. In addition, an Independent Citizens Oversight Committee will monitor all bond expenditures. This committee of local residents will make sure that all bond funds are spent as planned for the benefit of local students.

Quality educational facilities protect and enhance our property values and support our students. Good schools make great communities.

Please Vote Yes on Measure G.

/s/ Michael Klein
Small business owner

/s/ Patricia E. Castillo
Former Mayor

/s/ Tara Martin-Milius
Sunnyvale City Council Member

/s/ Nancy S. Tivol
Former Executive Director, Sunnyvale Community Services

/s/ Steve Harrington
Pastor, Sunnyvale Presbyterian Church

NO ARGUMENT AGAINST MEASURE G WAS SUBMITTED