

RESOLUTION NO. 18-47

**RESOLUTION OF THE BOARD OF EDUCATION
OF THE VISTA UNIFIED SCHOOL DISTRICT
COMMITTING TO BOND MEASURE AND CAPITAL PROJECTS
ACCOUNTABILITY AND TRANSPARENCY**

WHEREAS, the Board of Education ("Board") of the Vista Unified School District ("District") currently is considering options to call a general obligation bond measure within the District to address critical facility improvement needs; and

WHEREAS, in advance of potentially calling a bond measure, the Board desires to express to the public its intent to fulfill its fiduciary duties to the public in a fiscally responsible, accountable and transparent manner, with input from the local community in the process; and

WHEREAS, the San Diego County Taxpayers Association ("SDCTA") has published criteria that it believes provides the level and type of accountability that local taxpayers deserve from their public servants, including the District, and the Board is committed to meeting those criteria at a high standard if an election is successful.

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Vista Unified School District as follows:

Section 1. Recitals. The above recitals are true and correct.

Section 2. Bond Measure and Capital Project Accountability Principles. In its capacity as stewards of public funds, should the Board call for approval of a bond ballot measure, the Board desires to develop and implement a fiscally responsible, accountable and transparent bond measure and bond-funded construction program, and commits to conducting such a program in accordance with the following principles and actions:

(a) *Justifiable Facility Needs*

- 1) The District has and shall demonstrate a clear and justifiable need to build and modernize facilities, as documented by the Facilities Master Plan and school site facility plans. The District's ballot measure will contain a bond project list that describes how bond funds will be spent, and the District shall additionally seek input from the community and from committees with regard to the details, priorities and timing for the implementation and construction of bond-funded projects.
- 2) The total bond authorization amount is based upon needs identified in a Board-approved Facility Master Plan, completed by Eric Hall & Associates, with accurate and reliable cost estimation having been obtained from multiple outside architecture firms, including Alpha Design Studio, Sprotte-Watson, Harley Ellis Devereaux, WLC Architects and PJHM Architects.

(b) Sources of Capital Funding

- 1) The District shall seek additional sources of funds that may be available to support projects identified in the bond project list, including state matching funds, joint use funds, and development impact fees.
- 2) The District will actively seek opportunities for joint use of facilities, and coordination and collaboration with other local agencies regarding school facilities construction. In pursuing joint use opportunities, the District's goals shall be to maximize the use of facilities to the broader community without adversely impacting District operations or finances. A commitment to seeking joint use opportunities shall be reflected in the ballot measure resolution.

(c) Bond Structure

- 1) Bonds will be structured consistent with the District's approved Debt Issuance and Management Policy (BP 3470). Annual assessed value growth assumptions for any proposed financing will be the lesser of (i) the average of the past twenty years or (ii) 5%.
- 2) The District shall not issue bonds that allow for the compounding of interest, including, but not limited to, capital appreciation bonds. All bonds shall be issued as current interest bonds. This commitment will be expressed in the ballot measure resolution.
- 3) Consistent with federal law, the duration of a debt issue shall be consistent with the economic or useful life of the improvement or asset that the bonds are financing. The final maturity of the debt shall be equal to or less than the useful life of the assets being financed, and the average life of the financing shall not exceed 120% of the average life of the assets being financed.

(d) Expenditures of Bond Funds. In accordance with the California Constitution, the District shall spend bond funds solely to meet capital facility needs, and more specifically 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 (Cal. Const., art. XIII A, section 1(a).) The District shall not spend bond money on routine annual maintenance, operations, or non-capitalizable salary expenses.

(e) Bond Funded Construction

- 1) The District will promote fair and open competition for all capital projects funded with bond proceeds, consistent with procurement laws, policies and public works construction laws. As stated in the ballot measure resolution, the District does not intend to enter into a Project Labor Agreement for the construction of bond-funded projects. In the event that the Board wishes to consider the use of a Project Labor Agreement for construction of bond projects, the Board shall inform the public at least 90 days in advance of any such decision. Notice shall be given via website, publication, social media, District email, or other similar methods of public notice.

- 2) The District and Board will follow a **"No Pay to Play"** policy regarding bond-funded contracts that are procured and let after a successful bond measure, which means that any person or organization that directly or indirectly contributed \$1,000 or more to any District candidate or measure campaign (including a bond measure campaign) or to a foundation that, within the prior 4 years has made a contribution to a District bond measure campaign, shall be identified publicly as part of the Board's consideration of such person's bond-funded contract.
- 3) The Board hereby adopts the SDCTA **School Construction and Professional Services Procurement Best Practices**, as the same may be amended over time to reflect changes in the law; provided, however that the District shall not be precluded from using project delivery and procurement methods permitted by law as long as all transparency and fiscal accountability requirements are met. Upon passage of a bond measure, the Board shall adopt these best practices into a Board policy, set of bylaws or other similar governance document.

(f) Citizen's Bond Oversight Committee.

- 1) As required by law, the Board will appoint a CBOC, comprised of residents or business owners within the District. SDCTA shall be entitled to appoint a member of SDCTA to serve on the CBOC, assuming such appointee is available, meets the District's requirements for residency, and is willing to meet the participation requirements for membership on the CBOC.
- 2) The CBOC shall meet all requirements of Education Code section 15278-15282 with regard to its membership, duties, activities and responsibilities to the public, and no employee, official, vendor, contractor or consultant of the District shall be appointed to the CBOC. For informational and transparency purposes, the CBOC shall also annually review the District's Major Repair and Replacement funding plan.
- 3) The Board hereby adopts the **Oversight Committee Best Practices** of the SDCTA, as the same may be amended over time to reflect changes in the law. Upon passage of a bond measure, the Board shall adopt a specific policy or set of bylaws consistent with this Resolution to govern the District's relationship with the CBOC, which shall include the aforementioned best practices.

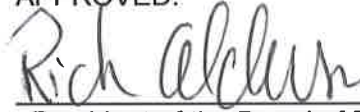
(g) Ongoing Training and Education. Members of the Board and District staff persons with responsibilities for the bond program shall pursue training and professional development programs available from reputable industry trade organizations and experts in general ethics principles and doctrines, covering techniques for managing a bond construction program, capital finance, and ethics in contracting, procurement and public service. Such training may include programs of SDCTA, the California State Attorney General and/or the Fair Political Practices Commission. Members of the CBOC shall additionally be encouraged to attend professional development programs regarding their role and duties, including programs of SDCTA.

Section 3. Enactment upon Successful Election. Upon successful passage of a general obligation bond measure, provisions of this Resolution not contained within the ballot measure or elsewhere in Board Policy will be enacted into formal Board Policy.

PASSED AND ADOPTED this day, May 8, 2018, by the following vote:

AYES: 4
NAYS: 0
ABSTAIN: 0
ABSENT: 1 (Gibson)

APPROVED:



President of the Board of Education of the
Vista Unified School District

Attest:



Clerk of the Board of Education of the
Vista Unified School District