

RESOLUTION NO. 1974

RESOLUTION OF THE GOVERNING BOARD OF THE
SOUTHWESTERN COMMUNITY COLLEGE DISTRICT
ORDERING AN ELECTION, AND ESTABLISHING
SPECIFICATIONS OF THE ELECTION ORDER

WHEREAS, Southwestern College is an essential community resource and provides an outstanding education and career training to students in South County, and local high school graduates rely on Southwestern College for higher education and to prepare for careers; and

WHEREAS, Southwestern College is an essential part of the South County economy, as leading local employers rely on the college's specialized training programs to train local workers in biotech, manufacturing, engineering, nursing, and other industries; and

WHEREAS, the Governing Board (the "Board") of the Southwestern Community College District (the "District"), has determined that certain educational facilities need to be upgraded constructed, renovated, acquired and equipped, in a fiscally prudent manner, to enable the District to maintain Southwestern College as a valuable community resource that provides an affordable education to local students and veterans each year who desire to learn job skills and transfer to four-year universities; and

WHEREAS, the costs of attending California's public universities has risen to at least six times that of attending a community college, and more local students are relying on community colleges, such as Southwestern College, and the high quality, affordable college option they provide; and

WHEREAS, in today's competitive job environment, the District must continue providing important training and education for local residents entering the workforce for new 21st Century careers, particularly in biotech, engineering and skilled trades, and increase opportunities for local students to earn college credits, certifications and job skills at a reasonable price; and

WHEREAS, Southwestern College has served thousands of military veterans, many of whom have recently returned from war zones and face post-traumatic stress disorder and permanent disabilities and need better access to job training programs and facilities, and need to be trained or retrained as they re-enter the civilian workforce; and

WHEREAS, the State is not providing the District with enough money for the District to improve Southwestern College's educational facilities and academic programs; and

WHEREAS, the Board has received information regarding the feasibility of a local bond measure and the District's bonding capacity; and

WHEREAS, a local measure will provide funds that cannot be taken away by the State to support local college transfer and job training; and

WHEREAS, a local measure will make the District eligible to receive State matching funds; and

WHEREAS, such a local measure will include mandatory taxpayer protections, including an independent citizens' oversight of all funds and mandatory annual financial audits to ensure funds are spent only as authorized; and

WHEREAS, the Board and District has solicited stakeholder and community input on priorities from students, faculty, staff, business and civic leaders, and the community; and

WHEREAS, in the judgment of the Board, it is advisable to provide additional funding for job training and workforce preparation for students of all ages, veterans and local residents and to improve facilities for course opportunities in science, technology, biotech, healthcare, and other technical vocational careers, by means of a general obligation bond issued in a financially prudent manner; 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 tax levies used to pay for debt service or bonded indebtedness to 55 percent of the votes cast on a community college 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 which are contained in Proposition 39 and the Act; and

WHEREAS, the Board 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 to be used for administrator salaries and 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, including any ballot pamphlet prepared, sponsored or distributed by the District, relating to the election; and

WHEREAS, the Board now desires to authorize the filing of a tax rate statement and 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 November 8, 2016, and to request the San Diego County Registrar of Voters to perform certain election services for the District; and

WHEREAS, in the judgment of the Board, it is advisable to request the San Diego County Registrar of Voters to call an election pursuant to Proposition 39 on the question of whether general obligation bonds shall be issued and sold on behalf of the District for purposes set forth below.

NOW THEREFORE, THE GOVERNING BOARD OF THE SOUTHWESTERN COMMUNITY COLLEGE DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the Board, pursuant to Education Code Sections 15100 et seq., Sections 15264 et seq. and Government Code Section 53506, hereby requests the San Diego County Registrar of Voters to call 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 \$400,000,000 (the "Bonds") shall be issued and sold to raise money for the purposes described in Exhibits "A" and "B" hereto. Both exhibits are directed to be printed in the voter sample ballot pamphlet.

Section 2. That the date of the election shall be November 8, 2016.

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" and incorporated by reference herein, containing the question of whether the District shall issue the Bonds to pay for improvements to the extent permitted by such proposition. In compliance with Proposition 39 and the Act, the ballot proposition in Exhibit "A" is subject to the following requirements and determinations:

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

(b) that the Board, in compliance with Proposition 39, and in establishing the projects set forth in Exhibit "B", evaluated the needs of returning veterans, safety, university transfer, enrollment trends, class size reduction, class availability, information technology and technical job training facilities of the District;

(c) that the Board will cause to be conducted an annual, independent performance audit to ensure that the Bond moneys get expended for the projects identified in Exhibits "A" and "B" hereto;

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

(e) that the Board will cause the appointment of 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 the San Diego County 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.

Section 4. That the authority for ordering the election is contained in Education Code Sections 15100 et seq., 15340 et seq. and 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.

Section 6. That the San Diego County Registrar of Voters and, the San Diego County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 8, 2016 within the District, and pursuant to Elections Code Section 10403, the District acknowledges that the consolidation election will be held and conducted in the manner described in Elections Code Section 10418.

Section 7. That this Resolution shall stand as the "order of election" to the San Diego County Registrar of Voters to call an election within the boundaries of the District on November 8, 2016.

Section 8. That the Secretary of the Board is hereby directed to send a certified copy of this Resolution to the San Diego County Registrar of Voters no later than August 12, 2016.

Section 9. That the bonds shall be issued pursuant to Education Code Section 15300 et seq. or issued pursuant to 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. The Board approves the filing of a Tax Rate Statement and primary and rebuttal arguments, as appropriate, and directs their publication in accordance with the requirements of the Elections Code.

Section 10. 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 be made by any body or official authorized by law to canvass the returns of the election, and that the Board consents to such consolidation.

Section 11. Pursuant to Education Code Section 5303 and Elections Code Section 10002, the San Diego County Board of Supervisors is requested to permit their Registrar of Voters to render all services specified by Elections Code Section 10418, for which services the District agrees to reimburse San Diego 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 Section 9401 of the Elections Code) pursuant to the terms of Education Code Section 5363 and Elections Code Section 12112.

ADOPTED, SIGNED AND APPROVED this 9th day of August, 2016.

GOVERNING BOARD OF THE SOUTHWESTERN
COMMUNITY COLLEGE DISTRICT

By _____
Nora E. Vargas
Governing Board President

Attest:

Tim Flood
Acting Secretary to the Governing Board

STATE OF CALIFORNIA)
)ss
SAN DIEGO COUNTY)

I, Tim Flood, do hereby certify that the foregoing is a true and correct copy of Resolution No. 1974 which was duly adopted by the Governing Board of the Southwestern Community College District at meeting thereof held on the 9th day of August 2016, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

By _____
Tim Flood, Acting Superintendent/President

EXHIBIT A

“SOUTHWESTERN COLLEGE AFFORDABLE EDUCATION, JOB TRAINING/ VETERAN SUPPORT MEASURE. To repair/ upgrade local community college campuses, prepare students/ veterans for jobs/ university transfer, repair deteriorating roofs, electrical wiring, gas, water/ sewer lines, remove asbestos/ lead paint, improve energy efficiency/ campus safety/ security, upgrade, acquire, repair, construct classrooms/ labs/ sites/ facilities/ equipment, shall Southwestern Community College District issue \$400 million in bonds at legal rates, no money for administrators’ salaries/ pensions, independent audits, citizen oversight, all funds used locally?”

Bonds - Yes

Bonds – No

EXHIBIT B
FULL TEXT BALLOT PROPOSITION
SOUTHWESTERN COMMUNITY COLLEGE DISTRICT
BOND MEASURE ELECTION NOVEMBER 8, 2016

“SOUTHWESTERN COLLEGE AFFORDABLE EDUCATION, JOB TRAINING/ VETERAN SUPPORT MEASURE. To repair/ upgrade local community college campuses, prepare students/ veterans for jobs/ university transfer, repair deteriorating roofs, electrical wiring, gas, water/ sewer lines, remove asbestos/ lead paint, improve energy efficiency/ campus safety/ security, upgrade, acquire, repair, construct classrooms/ labs/ sites/ facilities/ equipment, shall Southwestern Community College District issue \$400 million in bonds at legal rates, no money for administrators’ salaries/ pensions, independent audits, citizen oversight, all funds used locally?”

Bonds - Yes

Bonds – No

PROJECTS

The Governing Board of the Southwestern Community College District, to be responsive to the needs of its community, evaluated Southwestern College’s urgent and critical facility needs, and its capacity to provide students, active military, and **Veterans** with support and **job training** facilities, and an **affordable education** to prepare them for success in **college** and **careers**. **Veteran’s support**, safety issues, **job training** facilities, class size and offerings, and information and computer technology were each considered in developing the scope of projects to be funded, as such are outlined in the District’s Facilities Master Plan Vision 2025 and incorporated herein by reference in its entirety, and available for review on the District’s website (www.swccd.edu). In developing the scope of projects, basic repairs, **job training** facilities, campus safety, facilities **supporting Veterans**, and the expansion of opportunities for local students to receive an **affordable**, quality **education**, were **prioritized**. If these facility needs are not addressed now, Southwestern College would be unable to remain competitive in preparing students for jobs in high demand industries and **university transfer**. The Governing Board determines that **Southwestern College MUST:**

- (i) **Increase opportunities for local students to earn college credits, certifications and job skills at reasonable prices and transfer to four-year colleges and universities;**
- (ii) **Expand and improve job training and education programs that prepare students for careers in a 21st Century economy;**
- (iii) **Expand and improve the Veteran services and job training;**
- (iv) **Continue training local workers and partnering with local industries in biotech, high-tech manufacturing, nursing, engineering, and fire and paramedic services;**
- (v) **Ensure that all money raised by this measure will stay in our community to support local students, and cannot be taken away by the State or used for other purposes;**
- (vi) **PROVIDE LOCAL SOUTH COUNTY STUDENTS WITH AN AFFORDABLE, HIGH-QUALITY EDUCATION;**

(vii) Adhere to stringent fiscal accountability safeguards including:

- (a) All expenditures will be subject to annual independent financial audits;**
- (b) No funds will be used for administrators' salaries and pensions.**

The following types of projects are authorized to be undertaken at each of the District's locations:

**PROVIDE AN AFFORDABLE EDUCATION
FOR LOCAL RESIDENTS AND VETERANS:**

Facility Improvements Needed To Support Core Subjects

Goals and Purposes: The cost to attend the California public universities has risen to at least six times that of attending a community college, therefore, more local students and their families rely on Southwestern College to start their education and save tens of thousands of dollars. Additional funds are needed to ensure local students have the opportunity to earn collect credits and certifications, learn job skills at a reasonable price, and transfer to four-year universities.

The increase in campus shootings has made security more vital than ever. This measure will help make our local community college and higher education centers safer places for students to learn. Funds will be used to upgrade campus security and emergency communications systems, campus lighting, signage, cameras, and door locks, ensuring the safety and security of students.

- Replace deteriorating infrastructure, including gas, water and sewer lines.
- Improve energy and water use efficiency.
- Improve student safety and campus security systems, including security cameras, locks and lighting, telecommunication notification systems and other emergency power and emergency communications systems.
- **Repair leaky roofs, and outdated electrical wiring.**
- Update campus facilities to improve access for students with disabilities.
- Remove asbestos and lead paint from classrooms.

PROVIDE JOB TRAINING, COLLEGE TRANSFER AND VETERAN SUPPORT:

**Facility Improvements
To Help Students and Veterans Transfer to Four-Year
Universities or be Trained For High Demand Jobs**

Goals and Purposes: Computer and technology have changed the economy. No longer can a person rely on a low-skill manufacturing job to earn a decent living. This measure provides Southwestern College with the funds needed to expand and improve job training and education programs that prepare students for careers in 21st Century economy.

Southwestern College and its higher education centers have served thousands of military veterans, many of who have recently returned from war zones and face challenges including post-traumatic stress disorder and permanent disability. This measure will upgrade and expand veteran services and job training so returning Service Members receive the support they need to complete their education and enter the civilian workforce.

Southwestern College and its higher education centers provide excellent training that prepares students to transfer to UC and Cal State schools to complete their Bachelor's degrees. They also allow high school students to get a jump start on earning college credit by taking college courses before they even graduate. This measure will ensure we can continue to offer this caliber of education while saving families money on the first few years of tuition.

- Expand and improve facilities which provide job training, counseling, and support services to military veterans and their families.
- Upgrade classrooms, science labs and technology classrooms to better prepare students to transfer to four-year colleges and universities.
- Upgrade and construct vocational and job training classrooms.

* * *

FISCAL ACCOUNTABILITY

This bond measure has strict accountability requirements including:

1. All money will benefit Southwestern College campus and CANNOT BE TAKEN BY THE STATE.
2. NO MONEY can be used for ADMINISTRATOR SALARIES or pensions.
3. Require CITIZENS' OVERSIGHT and yearly audits to ensure all funds are used locally, effectively and as promised.
4. 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, faculty and college administrator salaries, pensions and other operating expenses.
5. **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 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.**

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/project management, staff training expenses, a customary contingency, and costs associated with the Total Cost of Ownership of facilities and equipment. In addition to the listed projects stated above, authorized projects also include the acquisition of a variety of instructional, maintenance and operational equipment, including interim funding incurred to advance fund projects from payment of the costs of preparation of all facility planning, fiscal reporting, 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 college activities caused by construction projects. In addition to the projects listed above, repair, renovation and construction projects may include, but not be limited to, some or all of the following: renovation of student and staff restrooms; replace aging electrical and plumbing systems; repair and replacement of heating, ventilation and air conditioning systems; acquire vehicles; upgrade of facilities for energy efficiencies, including photovoltaic/solar installations; repair and replacement of worn-out and leaky roofs, windows, walls doors and drinking fountains; replace or remove outdated buildings and classrooms and construction of new classrooms and support buildings; installation of wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; upgrade facilities to meet earthquake safety standards, current environmental sustainability and State compliance standards; repair and replacement of fire alarms, emergency communications and security systems; upgrading, resurfacing, replacing or relocating of hard courts, fields, turf and irrigation systems; install sod or artificial turf on athletic fields; upgrade classrooms; build or upgrade facilities; construct, expand or reconfigure facilities to create large lecture classrooms; construct parking lots or structures, upgrade, resurfacing and reconditioning existing parking lots; improve vehicular access and traffic circulation; improve pathways, such as sidewalks, pedestrian bridge, traffic center; improve drop-off zones; repair, upgrade and install interior and exterior lighting systems; replace water lines and valves, gas and sewer lines and other plumbing systems; construct, upgrade, acquire or expand multi-use classrooms and labs, business and computer technology center, academic success center, classrooms and labs at National City, Otay Mesa and San Ysidro Centers, buildings for automotive, journalism, maintenance and operations, language arts, administration, student services, institutional technology, general education, fine arts and visual and performing arts facilities, planetarium, physical education/aquatic facilities, gym, locker rooms, track replacement, support buildings, instructional buildings, athletic fields, improve water conservation and energy efficiency; acquire land; replace or upgrade outdated security and safety systems; replace existing window systems with energy-efficient systems to reduce costs; improve insulation, weatherproofing and roofs to reduce costs; improve access for the disabled; install and repair fire safety equipment, including alarms, smoke detectors, sprinklers, emergency lighting, and fire safety doors; replace broken concrete walks, deteriorated asphalt; replace/upgrade existing signage, bells and clocks; demolition of unsafe facilities; install new security systems, such as security (surveillance) cameras, burglar alarms, handrails, outdoor lighting, fencing, gates and classroom door locks; create outdoor study and gathering spaces; interior and exterior painting, wall and floor covering replacement; improve drainage systems to prevent flooding; upgrade roadway and pedestrian paths for improved safety and access for emergency vehicles, site parking, utilities and grounds. The project list also includes the refinancing of outstanding lease obligations. The upgrading of technology infrastructure includes, but is not limited to, upgrading classroom technology, wiring infrastructure, including Internal Distribution Frames, and infrastructure for Data Centers to insure reliable power sources, expanding wireless internet access, acquire portable interface devices, computers, servers, switches, routers, modules, sound projection systems, information systems, printers, digital white boards, upgrade voice-over-IP, communication systems, audio/visual and telecommunications systems, call manager and network

security/firewall, Internet connectivity, wireless systems, technology infrastructure, and other miscellaneous IT and instructional equipment, DATA storage, fiber/copper infrastructure, phones, identity access cards and the creation.

The allocation of bond proceeds may be affected by the final costs of each project. Some projects may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. 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 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, 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 cost 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. 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.