

RESOLUTION NO. 2002-1

RESOLUTION OF THE BOARD OF TRUSTEES OF THE EL CAMINO COMMUNITY COLLEGE DISTRICT ORDERING AN ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER

WHEREAS, the Board of Trustees (the “Board”) has determined that certain properties and equipment within the El Camino Community College District (the “District”), within Los Angeles County (“Los Angeles County”) need to be repaired, acquired, constructed, improved and equipped to enable the District to enhance the job and educational opportunities of the students in the District as well as their ability to transfer to a four-year college; and

WHEREAS, notwithstanding ongoing efforts to obtain sufficient facility money from the State of California (the “State”), the State has been unable to provide the District with enough money for the District to adequately provide facilities to create an optimal learning environment for all students; and

WHEREAS, El Camino College is an important resource for the community and prepares students for careers and transfer to four-year colleges, offers public safety, health care, technology and general educational opportunities for students and meets community needs for trained workers, nurses and allied professionals; and

WHEREAS, in the judgment of the Board, it is advisable to provide additional facility funding for such needs by means of a general obligation bond; and

WHEREAS, Proposition 46, approved by the voters of the State on June 3, 1986 (“Proposition 46”), amended Section 1(b) of Article XIII A of the California Constitution by adding a provision which exempts from the 1% of full cash value limitation, those *ad valorem* taxes used to pay for debt service of any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by voters voting on the proposition; and

WHEREAS, on November 7, 2000 the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act (“Proposition 39”) which, as of its effective date, reduced the voter threshold for *ad valorem* tax levies used to pay for debt service or bonded indebtedness to 55% 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 hereby determines that the restrictions in Proposition 39 which prohibit any bond money from being wasted or used for administrative salaries or other operating expenses of the District be strictly enforced by the Citizens Oversight Committee; and

WHEREAS, pursuant to the California 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, 2002, and to request the Los Angeles County Registrar of Voters to perform certain election services for the District;

NOW THEREFORE, THE BOARD OF THE EL CAMINO COMMUNITY COLLEGE 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 Los Angeles 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 not to exceed \$394,516,464 (the "Bonds") shall be issued and sold for the purpose of raising money for the purposes described in Exhibit A hereto.

Section 2. That the date of the election shall be November 5, 2002.

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 teacher and administrator salaries and other school operating expense;
- (b) that the Board, in establishing the projects set forth in Exhibit "B," evaluated the safety, class size and information technology needs 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 College projects identified in Exhibit "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;

(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 Elections Code Section 15274; and

(f) that the tax levy authorized to secure the Bonds of this election shall not exceed \$25 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.*, 15264 *et seq.*, and Government Code Section 53506.

Section 5. That the authority for the specifications of this election order is contained in Sections 5322 of the Education Code.

Section 6. That the Los Angeles County Registrar of Voters and the Los Angeles 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, 2002 within the District.

Section 7. That the Secretary of the Board is hereby directed to send a certified copy of this Resolution to the Los Angeles County Registrar of Voters no later than August 7, 2002.

Section 8. That the maturity of any Bonds issued pursuant to Section 15264 *et seq.* of the Education Code hereto shall have a maturity not exceeding twenty-five (25) years, and Bonds issued pursuant to Section 53506 of the Government Code shall have a maturity of not exceeding forty (40) years. 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 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 10. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of Los Angeles County is requested to permit the Registrar of Voters to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse Los Angeles 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 Section 5363 of the Education Code and Section 12112 of the Elections Code.

ADOPTED, SIGNED AND APPROVED this 15<sup>th</sup> day of July, 2002.

*BOARD OF TRUSTEES OF THE EL CAMINO  
COMMUNITY COLLEGE DISTRICT*

By \_\_\_\_\_  
Delmer L. Fox, President

Attest:

\_\_\_\_\_  
Thomas M. Fallo, Secretary to the Board

STATE OF CALIFORNIA )  
)ss  
LOS ANGELES COUNTY)

I, Thomas M. Fallo, do hereby certify that the foregoing is a true and correct copy of Resolution No. 2002-1, which was duly adopted by the Board of Trustees of the El Camino Community College District at meeting thereof held on the 15th day of July, 2002, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

By \_\_\_\_\_  
*Thomas M. Fallo, Secretary to the Board*

EXHIBIT A

“To prepare El Camino College students for jobs and four-year colleges; repair buildings, classrooms, science labs; upgrade earthquake/fire safety; repair sidewalks, leaky roofs, drainage/water pipes; upgrade wiring/equipment for computer technology; enhance nursing/firefighter training; construct, acquire, and equip modern classrooms/buildings; improve campus security, shall El Camino Community College District issue \$394,516,464 of bonds at legal rates, appoint a Citizens Oversight Committee and perform annual audits to ensure no money is used for administrators’ salaries?”

*Bonds - Yes*

*Bonds – No*

EXHIBIT B

FULL TEXT BALLOT PROPOSITION

~~OF THE EL CAMINO COMMUNITY COLLEGE DISTRICT~~

~~BOND MEASURE ELECTION NOVEMBER 5, 2002~~

The following is the full proposition presented to the voters by the El Camino Community College District.

“To prepare El Camino College students for jobs and four-year colleges; repair buildings, classrooms, science labs; upgrade earthquake/fire safety; repair sidewalks, leaky roofs, drainage/water pipes; upgrade wiring/equipment for computer technology; enhance nursing/firefighter training; construct, acquire, and equip modern classrooms/buildings; improve campus security, shall El Camino Community College District issue \$394,516,464 of bonds at legal rates, appoint a Citizens Oversight Committee and perform annual audits to ensure no money is used for administrators’ salaries?”

The Board of Trustees of the El Camino Community College District has evaluated safety, class size, and information technology and instructional needs in developing the scope of college facility projects to be funded as outlined in the District’s Facilities Master Plan and Education Master Plan amended from time to time, on file at the District’s Public Information Office.

**PROJECTS**

Additional Classrooms and Modernization \$204,630,902

- Health Occupations and Wellness Center – Nursing and allied health care training facilities including classrooms, labs, lecture halls, clinical research/rehabilitation facilities for radiation technology, gerontology programs.
- Fire Academy Structure – Classroom space for firefighting training in Inglewood; safety/security improvements for fire truck storage.
- Vocational Training Center – Job training classrooms, labs, support space for refrigeration, air conditioning, welding and other technology careers.
- Business Training Center – High-tech administrative career training center, with individual learning systems for computer instruction, improved safety, accessibility.

- Science Complex Renovation – Replace 45-year-old classrooms and labs with modern instructional facilities; improve wiring for Internet use; improve accessibility.
- Physical Education & Fitness Complex – Replace aging instructional facilities with safe, modern facilities.
- Repair and replace 40- 50-year-old classrooms, laboratories, lecture halls and instructional space; improve lighting, wiring, internet access and energy efficiency.
- Improve safety, accessibility, electrical wiring. Install voice/data/signal site systems for classrooms, support technology.
- Energy efficiency upgrades and replacement for aging heating/ventilating/air conditioning/cooling systems.
- Remove barriers, improve access; add ramps, elevators, automatic doors.
- Improve student and staff support spaces.
- Acquire additional classroom/support space for educational centers.
- Add Technology Center to Learning Resource Library.
- Improve safety, accessibility along entrances to/from Manhattan Beach Boulevard, Crenshaw Boulevard, Redondo Beach Boulevard.
- Improve fire safety, alarm systems.

**Health and Safety Upgrades**

**\$84,007,276**

- **Improve safety, security system; install improved locks, fire alarms, emergency lighting.**
- Replace aged, deteriorated water service to fire lines.
- Replace natural gas lines for heating efficiency, safety.
- Replace sewer lines, plumbing systems, storm drains to control flooding and surface run-off.
- Modernize support service space, including cost-efficient reproduction center for instructional materials.
- Repair/replace restrooms, showers for women & men in physical education classrooms.
- Replace leaky roofs, decaying walls.
- Replace/repair fencing for safety and security.



- Remove hazardous materials such as asbestos and lead paint.
- Replace aging electrical systems, alarms and lighting to meet technology needs, improve safety and energy efficiency.

**Energy Efficiency Improvements**

**\$16,819,098**

- Repair/replace windows, coverings; motors; outside air economizer controls for Heating, Air Conditioning and Ventilation.
- Thermal storage, solar hot water for energy efficiency.

**Campus Site Improvements: Accessibility, Safety and Security**

**\$28,435,148**

- Replace and upgrade outdoor lighting in all lots for safety and energy efficiency.
- Replace driveway and walkway paving for safety and accessibility;  
resurface asphalt for safety.
- Install pedestrian walks along Manhattan Beach Boulevard
- Improve landscaping and irrigation for conservation.
- Repair/replace outdated warehouse, support space;  
remodel existing space for classroom use.
- Construct parking structures for improved safety, accessibility.
- Install emergency generators and electrical distribution systems for safety and efficiency;  
provide emergency power for emergency lighting.

***Information Technology & Equipment***

**\$58,674,739**

- **High-tech instructional equipment for classrooms, labs in Nursing, Business, Math, Industry & Technology, general education and vocational programs.**
- Upgrade computers, wiring and connections for instructional and support space.

**Physical Education Facilities Improvements**

**\$1,949,301**

- Repair/replace fields, pool, gymnasium, bleachers and instructional space for physical education classes.

The allocation of bond proceeds will be affected by the District’s receipt of State matching funds and the final costs of each project. The budget for each project is an estimate and may be affected by factors beyond the District’s control.



REIMBURSEMENT RESOLUTION - RESOLUTION NO. 2002-2

RESOLUTION OF THE BOARD OF TRUSTEES OF THE EL CAMINO COMMUNITY COLLEGE  
DISTRICT REGARDING ITS INTENTION TO ISSUE TAX-EXEMPT OBLIGATIONS

WHEREAS, the Board of Trustees of the El Camino Community College District (the "District") desires to finance the costs of acquiring, constructing, reconstructing and/or equipping of College facilities, as provided in Exhibit B to Resolution 2002-1 of the District approved on this date and incorporated by reference herein (the "Projects");

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 or other forms of debt, the interest upon which is excluded from gross income for federal income tax purposes (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;

WHEREAS, the Board of Trustees 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

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE EL CAMINO COMMUNITY COLLEGE DISTRICT DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

SECTION 1. The District hereby states its intention and reasonably expects to reimburse Project costs incurred prior to the issuance of the Obligations with proceeds of the Obligations.

SECTION 2. The reasonably expected maximum principal amount of the Obligations is \$394,516,464.

SECTION 3. This resolution is being adopted on or prior to the date that the District will expend moneys for the portion of the Project costs to be reimbursed from proceeds of the Obligations.

SECTION 4. *The District will make a reimbursement allocation, which is a written allocation that evidences the District's use of proceeds of the Obligations to reimburse an Expenditure, no later than 18 months after the later of the date on which the*

Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The District recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain *de minimis* amounts and expenditures for construction projects of at least five years.

SECTION 5. Each Expenditure will be either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the obligation, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the District so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the District.

SECTION 6. This resolution is consistent with the budgetary and financial circumstances of the District, as of the date hereof. No moneys from sources other than the Obligation issue are, or are reasonably expected to be reserved, allocated on a long-term basis, or otherwise set aside by the District (or any related party) pursuant to their budget or financial policies with respect to the Project costs. To the best of our knowledge, this Board is not aware of the previous adoption of official intents by the District that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

SECTION 7. 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.

SECTION 8. All the recitals in this Resolution are true and correct and this Board of Trustees so finds, determines and represents.

ADOPTED, SIGNED AND APPROVED this 15<sup>th</sup> day of July, 2002.

*BOARD OF TRUSTEES OF THE EL CAMINO  
COMMUNITY COLLEGE DISTRICT*

By \_\_\_\_\_  
Delmer, L. Fox, President

Attest:

\_\_\_\_\_  
Thomas M. Fallo, Secretary to the Board

July 15, 2002

Other Action Items

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STATE OF CALIFORNIA )  
)ss  
LOS ANGELES COUNTY )

I, Thomas M. Fallo, do hereby certify that the foregoing is a true and correct copy of Resolution No. 2002-2, which was duly adopted by the Board of Trustees of the El Camino Community College District at meeting thereof held on the 15<sup>th</sup> day of July, 2002, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

By \_\_\_\_\_  
Thomas M. Fallo, Secretary to the Board