RESOLUTION NO. 14-26

RESOLUTION OF THE BOARD OF TRUSTEES OF THE NAPA VALLEY COMMUNITY COLLEGE DISTRICT ORDERING AN ELECTION AND ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER

WHEREAS, the Board of Trustees (the “Board”) of the Napa Valley Community College District (the “District”) has determined that certain educational facilities, infrastructure and equipment at the District’s campuses and properties (including the Napa Valley Campus and Upper Valley Campus in St. Helena) need to be constructed, renovated, acquired and equipped in a fiscally prudent manner, to attract and retain high-quality faculty, maintain Napa Valley College as a valuable community resource, provide an affordable, local education, increase the educational opportunities of all local students, and offer career and support facilities for veterans and active military who desire to learn in-demand job skills or transfer to four-year universities; and

WHEREAS, since the costs of attending a University of California and California State University are increasingly expensive, more than six times that of attending a community college, more students are relying on community colleges, such as Napa Valley College, and the high quality, affordable college options they provide; and

WHEREAS, in today’s economic times and competitive job environment, the District must continue providing important training and education for local residents entering the workforce for new professions and income opportunities, as well as for local students to earn college credits, certifications and job skills all at a reasonable price; and

WHEREAS, veterans are an increasing percentage of the Napa Valley College student body and they need better access to job placement programs and facilities, as well as training or retraining as they re-enter the civilian workforce; and

WHEREAS, notwithstanding ongoing efforts of the District to obtain sufficient facility money from the State of California (the “State”), the State has been unable to provide sufficient funding for the District to adequately improve Napa Valley College for all their students and that State facility funding is increasingly conditioned on the District’s ability to locally fund a portion of the costs of college campus upgrades in a fiscally prudent manner; and

WHEREAS, the Board has overseen the development of a Facilities Master Plan, Facilities Master Plan Update 2014, and Campus Master Plan (together, the “Master Plan”) which set the long-term strategic goals for the District; 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 help provide funds that cannot be taken away by the State to expand Napa Valley College’s ability to offer graduates of local area high schools an opportunity to takes courses toward a 4-year college degree closer to home, support local job training efforts and strengthen existing partnerships with the University of California and California State Universities; and
WHEREAS, such a local measure will include mandatory taxpayer protections, including 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 to implement the Master Plan, especially preparing local students and veterans for transfer to four-year colleges and universities, and/or successful jobs and careers, by means of a general obligation bond, issued in a financially prudent manner, and that such projects be undertaken in compliance with all laws relating to open and public bidding; and

WHEREAS, Proposition 46, approved by the voters of the State of California 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 on 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 reduced the voter threshold for ad valorem tax levies used to pay for debt service on 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 annual financial audit requirements, standards of financial accountability and citizen oversight which are contained in Proposition 39 and the Act and to further phase the issuance of bonds so that the Board is satisfied that priority projects have been successfully completed before any more bonds are sold; 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 from being wasted or used for non-bond project related administrator salaries and other operating expenses of the District shall be strictly enforced 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, Section 9400 et seq. of the Elections Code of the State of California (the “Elections Code”) 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 desires to authorize the filing of a ballot argument in favor of the proposition to be submitted to the voters at the election; 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 4, 2014, and to request each of the Napa County Registrar of Voters and the Sonoma 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 each of the Napa County Registrar of Voters and the Sonoma 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 BOARD OF TRUSTEES OF THE NAPA VALLEY COMMUNITY COLLEGE DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The Board, pursuant to Education Code Sections 15100 et seq., Sections 15264 et seq. and Government Code Section 53506, hereby requests each of the Napa County Registrar of Voters and the Sonoma 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 $198,000,000 (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. The date of the election shall be November 4, 2014.

Section 3. 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) the Board, in compliance with Proposition 39, and in establishing the projects set forth in Exhibit “B”, evaluated the student safety, enrollment, class size, class availability, military veterans support, information technology and the job training needs of the District;

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

(d) the Board shall 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) 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 nine (9) members and at no time consist of less than nine (9) 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, among others, 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 (1) member who is a member of and active in the Napa Valley Taxpayer Association; One (1) member who is a member and active in a bona fide taxpayer association; One (1) member who is active in the Napa County viticulture industry. 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;

(f) 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 XIXA of the California Constitution;

(g) no capital appreciation bonds shall be issued as part of this measure; and

(h) prior to the issuance of any bonds for projects authorized by the measure, the Board shall determine that no bonds were being issued with a term longer than the useful life of the projects or equipment financed.

Section 4. 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. The authority for the specifications of this election order is contained in Section 5322 of the Education Code.

Section 6. The Napa County Registrar of Voters, the Napa County Board of Supervisors, the Sonoma County Registrar of Voters and the Sonoma County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 4, 2014 within the District.
Section 7. This Resolution shall stand as the “order of election” to each of the Napa County Registrar of Voters and the Sonoma County Registrar of Voters to call an election within the boundaries of the District on November 4, 2014.

Section 8. The Secretary of the Board is hereby directed to send a certified copy of this Resolution to each of the Napa County Registrar of Voters and the Sonoma County Registrar of Voters no later than August 8, 2014.

Section 9. The bonds may be issued pursuant to Section 15300 et seq. of the Education Code or pursuant to Section 53506 of the Government Code. 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 with both the Napa County and the Sonoma County of a tax rate statement (by August 8), a primary argument (by August 15), a rebuttal argument (by August 22), as appropriate, as well as an impartial analysis of the measure (by August 8) and directs their publication in accordance with the requirements of the Elections Code.

Section 10. 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. The Board further authorizes the submission of a tax rate statement and primary and rebuttal arguments, as appropriate, to be filed with each of the Napa County Registrar of Voters and the Sonoma County Registrar of Voters by the established deadlines.

Section 11. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Boards of Supervisors of Napa County and Sonoma County are requested to permit the respective 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 both Napa County and Sonoma 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 28th day of July, 2014.

BOARD OF TRUSTEES OF THE NAPA VALLEY
COMMUNITY COLLEGE DISTRICT

By ________________________________
Board President

Attest:

______________________________
Secretary

STATE OF CALIFORNIA   )
) ss
NAPA COUNTY   )

I, Dr. Ronald D. Kraft, do hereby certify that the foregoing is a true and correct copy of Resolution No. 14-26, which was duly adopted by the Board of Trustees of the Napa Valley Community College District at meeting thereof held on the 28th day of July, 2014, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

By ________________________________
Secretary
EXHIBIT A

“NAPA VALLEY COLLEGE AFFORDABLE EDUCATION/VETERAN SUPPORT/JOB TRAINING MEASURE. To upgrade educational facilities, prepare students for careers/university transfers, and retain/attract quality faculty by expanding Veteran’s center, upgrading technology for 21st Century education/jobs training, expanding career training classrooms in welding/trades/science/engineering/healthcare, and acquiring, constructing, and repairing classrooms/facilities/sites/equipment, shall Napa Valley Community College District issue $198,000,000 in bonds at legal rates with citizens’ oversight, audits, and no money for administrators’ salaries?”

Bonds – Yes  Bonds – No
“NAPA VALLEY COLLEGE AFFORDABLE EDUCATION/VETERAN SUPPORT/JOB TRAINING MEASURE. To upgrade educational facilities, prepare students for careers/university transfers, and retain/attract quality faculty by expanding Veteran’s center, upgrading technology for 21st Century education/jobs training, expanding career training classrooms in welding/trades/science/engineering/healthcare, and acquiring, constructing, and repairing classrooms/facilities/sites/equipment, shall Napa Valley Community College District issue $198,000,000 in bonds at legal rates with citizens’ oversight, audits, and no money for administrators’ salaries?”

Bonds – Yes       Bonds – No

PROJECTS

The Board of Trustees of the Napa Valley Community College District, to be responsive to the needs of its community, evaluated Napa Valley College’s urgent and critical facility needs, and its capacity to provide local area students and Veterans with support facilities, an affordable education and prepare them for success in college and careers. Job training, career technical education, safety, enrollment, class size and class offerings, and information and computer technology infrastructure were each considered, in developing the scope of projects to be funded, as outlined in the District’s Facilities Master Plan, Facilities Master Plan Update 2014, and the Campus Master Plan, each incorporated herein by reference in its entirety (together, the “Master Plan”), and available for review on the District’s website (www.napavalley.edu). In developing the scope of projects, the faculty, staff, students and community have prioritized facilities available to support an affordable education for local area students, support Veterans prepare to reenter the workforce and offer career technical education in skilled trades, so that the most critical needs that will make the Napa Valley College an effective place for learning, would be addressed. In the course of developing the Master Plan, public input was received from many constituents. It was concluded that if these facility needs were not addressed now, the Napa Valley College would be unable to remain competitive in preparing students for jobs in high demand industries and university transfer. The Board concluded that the longer they waited to repair and upgrade Napa Valley College, the more expensive it would be. In implementing the Master Plan the Board of Trustees determines that Napa Valley College MUST:

(i) Expand career and SUPPORT FACILITIES FOR VETERANS and military personnel;
(ii) Upgrade technology in classrooms and training centers to equip students with the skills they need to be competitive for today’s jobs;
(iii) Attract and retain high-quality faculty and staff;
(iv) Provide AFFORDABLE, LOW-COST, HIGH QUALITY EDUCATION closer to home for local students which is needed to successfully transfer to four-year universities; and
(v) Adhere to stringent FISCAL ACCOUNTABILITY safeguards including:
   (a) REQUIRE ANNUAL FINANCIAL AUDITS,
   (b) Require citizens’ oversight of all funds,
   (c) No funds will be used for administrators’ salaries and pensions,
   (d) ALL FUNDS WILL BE SUBJECT TO LOCAL CONTROL AND WILL REMAIN LOCAL IN NAPA VALLEY COLLEGE.

The Master Plan is available for review at the Superintendent/President’s office and at www.napavalley.edu. The following types of projects are authorized to be undertaken at Napa Valley College:

**Academic Facility and Technology Upgrade Projects to Help Students, Active Military and Veterans Transfer to Four-Year Universities or be Trained for Today’s Jobs**

**Goal and Purpose:** Ensuring students, active military and veterans are either prepared for transfer to University of California or California State University systems or trained for in-demand, good paying jobs are major objectives of Napa Valley College.

Veterans are an increasing percentage of the Napa Valley College student body. This measure will upgrade and expand veteran support facilities and job training to ensure that the growing number of returning service members receive the support they need as they reenter the civilian workforce or seek to transfer to a four-year college to earn their degree.

As more and more of today’s jobs require advanced technological training, and as our economy shifts, our local community college must keep pace. This measure will fund technology upgrades to classrooms and training centers to equip students with the skills they need to be competitive for today’s jobs.

Serving the District’s senior population is critical and senior citizens can be best served by continuing to improve career training of long-term care providers, hospice care givers and first responders to a medical emergency.

- Upgrade, construct or expand facilities for career training in well-paying careers and transfer to universities.
- Provide career technical education in fields such as welding, machine tool technology and other trades.
- Modernize and expand job training centers for nursing, psychiatric technicians, respiratory therapy, emergency medical technicians and other health care fields, critical to serving the senior citizens of our community.
- Expand course opportunities, classrooms and instructional facilities in viticulture and agricultural science and other core academic classes.
- Expand facilities for veterans to provide career training and support services to returning veterans seeking training or retraining to reenter the workforce.
• Upgrade outdated science, math and computer labs and expand College facilities providing
   instruction in Science, Technology, Engineering and Math (STEM).
• Install additional technology infrastructure to improve computer technology and Internet
   access.
• Upgrade outdated job-training classrooms, labs and equipment to provide all students with
   opportunities to learn job skills.
• Upgrade or construct support facilities for currently active military personnel.
• Upgrade and replace technology systems used for job training and retraining programs.

Repair and Construction Projects to
Provide Greater Access to an Affordable Education

Goal and Purpose: Since the cost of attending a public university has risen to as much as six
(6) times that of attending Napa Valley College, students rely on Napa Valley College to save as
much as $35,000 in tuition on their way to a four-year degree. Therefore, keeping Napa
Valley’s facilities upgraded will help ensure that our local community college can provide our
high school graduates and other local residents with access to high-quality, affordable college
options closer to home.

• Upgrade aging roofs, disabled accessibility, and electrical systems.
• Improve heating, ventilation, insulation, doors, lighting, and windows to increase energy
   efficiency and save money; install alternative energy systems.
• Upgrade outdated electrical systems and wiring for computer technology and Internet access.
• Renovate, repair or replace outdated laboratories, classrooms, training centers and support
   facilities.

* * *

FISCAL ACCOUNTABILITY

This bond measure has strict accountability requirements including (a) an independent
Citizens’ Oversight Committee with representation from throughout our region; (b) annual financial
audits to make sure money is being spent as promised; (c) no money from this measure will go
towards salaries or pensions, and (d) all money will stay local and cannot be taken by Sacramento
politicians.

1. 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 COLLEGE ADMINISTRATOR SALARIES, PENSIONS AND OTHER
   OPERATING EXPENSES.
2. **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 a nine member independent citizens’ oversight committee to ensure that funds are spent as promised and specified. The citizens’ oversight committee must include, among others, representation of (1) a bona fide taxpayers association, (2) the Napa Valley taxpayers association, (3) a business organization, (4) the Napa county viticulture industry and (5) a senior citizens organization. No district employees or vendors are allowed to serve on the citizens’ oversight committee.

3. **BOND ISSUANCE LIMITS.**

   (a) No bonds shall be issued until the Board has established specific project priorities.

   (b) Bonds must be phased in over time so that project success can be determined before more bonds are issued.

   (c) Bonds must have a term not longer than the useful life of the project or equipment being financed.

   (d) The availability of State matching funds shall be considered in selecting projects.

   (e) No capital appreciation bonds shall be issued.

   * * *

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 and a customary contingency. In addition to the listed projects stated above, authorized projects also include the acquisition of a variety of instructional, maintenance and operational equipment or facilities, including the reduction or retirement of outstanding lease obligations and interim funding incurred to advance fund projects from 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 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 and ventilation systems; upgrade of facilities for energy efficiencies, including photovoltaic/solar installations; repair and replacement of worn-out and leaky roofs, windows, walls doors, drinking fountains; removal of outdated buildings 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 current earthquake safety 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; upgrade classrooms; build or upgrade facilities for math, physical
sciences, and horticulture; upgrade/construct parking lots/garages and housing facilities for students, faculty and staff; repair, upgrade and install interior and exterior lighting systems; replace water and sewer lines and other plumbing systems; construct, upgrade or expand a health sciences and safety training center, student union and Veterans’ service center, conference and continuing education building at the Upper Valley Campus or other locations, hospitality and agri-science center, allied career technical center, industrial technology building, physical sciences building, foreign language, humanities buildings, physical education facilities, first responder labs, outdoor education labs, transit mall walkways, administrative offices, maintenance yard/warehouse/building, outdoor education labs, instructional buildings, science and technology building, athletic fields, parking lots, turf; improve water conservation and energy efficiency; replace outdated security 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, outdoor lighting, fencing, gates and classroom door locks; improve drainage systems; upgrade roadway and pedestrian mall and paths for improved safety, and access for emergency vehicles, including the Imola connection, 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, the funding of a technology endowment, LCD projectors, portable interface devices, servers, switches, routers, modules, sound projection systems, information systems, printers, digital white boards, upgrade voice-over-IP, communication systems, call manager and network security/firewall, Internet connectivity, wireless systems, technology infrastructure, and other miscellaneous equipment.

The allocation of bond proceeds will be affected by the District’s receipt of State matching funds and the final costs of each project. In the 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 will not be able to complete some of the projects listed above. Some projects, such as physical education facilities, 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.