



Palo Verde College

One College Drive
Blythe, CA 92225
760-921-5500

July 9, 2014

Michael Scarpello, Director
San Bernardino County Registrar of Voters
777 East Rialto Avenue
San Bernardino, CA 92415-0770

Laura Welch, Clerk of the Board
San Bernardino County Board of Supervisors
385 N. Arrowhead Avenue, 2nd Floor
San Bernardino, CA 92415-0130

Re: Palo Verde Community College District November 4, 2014 Bond Measure Election

Enclosed please find the Palo Verde Community College District Board of Trustees RESOLUTION NO. 14-10 D 21 "RESOLUTION OF THE BOARD OF TRUSTEES OF THE PALO VERDE COMMUNITY COLLEGE DISTRICT ORDERING AN ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER" adopted on July 8, 2014 calling for a November 4, 2014 local bond election.

Also enclosed is our Tax Rate Statement.

We expect Exhibit B to be printed in its entirety in each sample ballot/voter pamphlet.

By this letter we are formally requesting to review a proof of the ballot statement language, the full text of the ballot proposition, impartial analysis and ballot arguments that would appear in the voter pamphlet prior to publishing. Please direct this proof to the undersigned as soon as it is available.

We believe that Education Code Section 15122.5 is NOT applicable and we request that the County NOT include the following "State Matching Funds" language in the ballot or voter pamphlet:

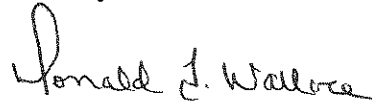
"Approval of Measure _____ does not guarantee that the proposed project or projects in the Palo Verde Community College District that are the subject of bonds under Measure _____ will be funded beyond the local revenues generated by Measure _____. The district's proposal for the project or projects may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

If possible, the District would like to request the measure letter designation of "P". If not possible, the District requests that we not be assigned the letter "F".

We would be more than happy to provide you with the resolution electronically in order to facilitate your work, or to assist with this process in any other manner.

This letter also authorizes you to contact David Casnocha of Stradling Yocca Carlson & Rauth, our bond counsel, at (415) 283-2241 if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Donald G. Wallace". The signature is written in a cursive style with a large initial "D".

Donald G. Wallace, Ph.D.
Superintendent/President

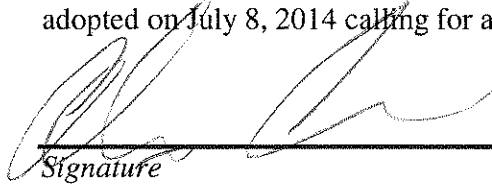
Enclosure

cc: David G. Casnocha

July 9, 2014

Acknowledgement:

I, Alexander Los, of the Elections Office of the San Bernardino County Registrar of Voters acknowledge receipt of PALO VERDE COMMUNITY COLLEGE DISTRICT BOARD OF TRUSTEES RESOLUTION NO. 14-10 D 21 "RESOLUTION OF THE BOARD OF TRUSTEES OF THE PALO VERDE COMMUNITY COLLEGE DISTRICT ORDERING AN ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER" adopted on July 8, 2014 calling for a November 4, 2014 election.



Signature

7/21/2014

Date

12:31 pm

Time

RESOLUTION NO. 14-10 D 21

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

WHEREAS, the Board of Trustees (the "Board") of the Palo Verde Community College District (the "District") has determined that certain educational facilities, infrastructure and equipment need to be constructed, renovated, and acquired in a fiscally prudent manner, to enable Palo Verde College to remain a valuable community resource that provides an affordable, local education, and increases the educational opportunities of all local students who desire to learn in-demand job skills or transfer to four-year universities; and

WHEREAS, since the costs of attending a U.C. and State college are becoming so expensive, more than six times that of attending a community college, more students are relying on community colleges, such as Palo Verde 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, the District has supported our 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 academic tutoring, job placement programs and counseling services, and need to be trained or retrained as they re-enter the civilian workforce; 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 improve Palo Verde College for all their students; and

WHEREAS, the District has an outstanding facilities construction loan, which, if paid down, would free up money for additional educational programs and courses; 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 support local college transfer and job training efforts and help increase enrollment and offset State budget cuts; and

WHEREAS, such 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, and the community; and

WHEREAS, in the judgment of the Board, it is advisable to provide additional funding to prepare local students 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

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 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 annual financial audit requirements 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 from being wasted or used for inappropriate 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 now 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 Riverside County and San Bernardino County Registrars 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 Riverside County and San Bernardino County Registrars 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 PALO VERDE 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 each of the Riverside County Registrar of Voters and the San Bernardino 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 \$12,500,000 (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 4, 2014.

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 need to improve the local economy by providing a better educated and trained work force, as well the student safety, class size, class availability, information technology and the job training 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 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, 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 active in a bona fide taxpayer 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;

(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; and

(g) that 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. 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 Section 5322 of the Education Code.

Section 6. That each of the Riverside County Registrar of Voters, the Riverside County Board of Supervisors, the San Bernardino County Registrar of Voters and the San Bernardino County Board of Supervisors are each 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. That this Resolution shall stand as the "order of election" to each of the Riverside County Registrar of Voters and the San Bernardino County Registrar of Voters to call an election within the boundaries of the District on November 4, 2014.

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

Section 9. That the Bonds may be issued pursuant to Section 15300 *et seq.* of the Education Code and 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 the

Riverside County Registrar of Voters and the San Bernardino County Registrar of Voters 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.

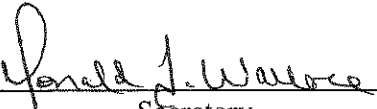
Section 11. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Boards of Supervisors of each of Riverside County and San Bernardino County is requested to permit the Registrar of Voters to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse Riverside and San Bernardino Counties, 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 8th day of July, 2014.

BOARD OF TRUSTEES OF THE PALO VERDE
COMMUNITY COLLEGE DISTRICT

By 
Board President

Attest:


Secretary

STATE OF CALIFORNIA)
)ss
RIVERSIDE COUNTY)


I, Dr. Donald G. Wallace, do hereby certify that the foregoing is a true and correct copy of Resolution No.14-10 D 21, which was duly adopted by the Board of Trustees of the Palo Verde Community College District at meeting thereof held on the 8th day of July, 2014, and that it was so adopted by the following vote:

AYES: 6

NOES: 0

ABSENT: 1

ABSTENTIONS: 0

By 
Secretary