



## Gridley Unified School District Measure

Arguments in Support of, or in opposition to, the proposed laws are the opinions of the authors.

### J

#### Gridley Unified School District – Classroom Safety, Renovation and Construction Measure

To improve educational facilities at Gridley High School; repair/replace leaky roofs; modernize/renovate classrooms, restrooms and school facilities; and replace outdated heating, ventilation and cooling systems; shall the Gridley Unified School District measure authorizing \$16,300,000 of bonds at legal rates, levying approximately 4 cents per \$100 assessed value, generating on average \$870,000 annually while bonds are outstanding, be adopted, with annual audits, independent citizens' oversight, NO money for salaries and no money taken by the State? Bonds - YES or Bonds - NO

#### **IMPARTIAL ANALYSIS OF MEASURE J**

##### SCHOOL DISTRICT GENERAL OBLIGATION BONDS

##### IMPARTIAL ANALYSIS OF MEASURE "J" BY BUTTE COUNTY COUNSEL

Measure J proposes to allow the Gridley Unified School District ("District") to sell general obligation bonds to pay for facilities and equipment at Gridley High School. Measure J does not propose to change existing law.

If fifty-five percent (55%) or more of the votes cast on the measure are "Bonds-Yes," the measure will be approved, and the District will be authorized to issue bonds in the principal amount of up to \$16,300,000.00 and to levy ad valorem taxes on taxable property within the District to pay for the amount of bonded indebtedness plus interest. If the measure is not approved by at least 55% of the votes cast, the measure will fail, and the bonds will not be issued.

The bonds will bear interest at a rate established at the time of sale, depending on the market rates at that time, but not exceeding the legal limit of 8 percent per annum. If issued under the Government Code, the maximum term of the bonds cannot exceed forty (40) years. If issued under the Education Code, the maximum term of the bonds cannot exceed twenty-five (25) years. The tax rates cannot be determined until after the bonds are sold, but the District's Tax Information Statement, which follows this analysis, presents the District's best estimates of the tax rates required to be levied to pay debt service on the bonds.

Proposition 13, approved in 1978, amended the California Constitution by adding Article XIII A limiting ad valorem taxes on real property to one percent



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(1%) on the value of the property. Article XIII A was amended in 1986 by adding an exception providing that the 1% limitation does not apply to taxes used to pay interest and redemption charges on certain bonds. Taxes levied to pay the interest and principal of the District's proposed bonds would be within this exception and not subject to the 1% limitation.

The funds derived from the sale of these bonds may only be expended for the purposes specified in the Bond Project List found in the Full Text of Bond Proposition following this analysis, including to: construct, repair, and/or upgrade classrooms, restrooms, plumbing, roofing, lighting, electrical and HVAC systems, and common area features; upgrade fire systems, and safety and security systems; improve energy efficiency; and acquire and install technology equipment. The proceeds will not be used for any other purpose, including payment of teacher or administrator salaries or other operating expenses.

To assure that funds are spent only as specified in the measure, Measure J requires the appointment of a citizen's oversight committee and completion of annual, independent performance and financial audits.

s/Brad J. Stephens, Interim Butte County Counsel

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### **ARGUMENT IN FAVOR OF MEASURE J**

#### **Gridley Unified School District**

Every student deserves to learn in quality school facilities. Your YES VOTE on Measure J will prepare generations of our local students for future success. While our teachers and staff do their best in educating our children, many classrooms and school facilities at Gridley High School are outdated and inadequate to provide students with the facilities they need to succeed. This is why our students need your **YES vote on Measure J!**

Although our high school has been well maintained, some of our facilities are over 50 years old and do not meet 21st century standards. Measure J would allow the District to improve our high school and the quality of education provided to local students. By investing in our high school, we can meet today's safety, technological, and educational standards and better our community.



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If passed, Measure J will make critical facility improvements at Gridley High School by; repairing or replacing leaky roofs; modernizing outdated classrooms at Gridley High School; replacing outdated heating, ventilation and cooling systems; constructing locker rooms and physical education multi-purpose facility for school and community use; and improving student access to computers and modern technology.

Measure J makes financial sense and protects taxpayers. All bond funds must be spent **locally** and cannot be taken by the State. By law, spending must be reviewed and annually audited by an **independent** citizens' oversight committee. In addition, funds can only be spent to improve Gridley High School, not for teacher or administrative salaries.

Measure J upgrades and repairs old, inadequate classrooms, improves the education of local students and maintains the quality of our community. That's something we can all support. Please join us and Vote Yes On Measure J!

s/Eric Waterbury, Board President

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### FULL TEXT MEASURE J

#### **GRIDLEY UNIFIED SCHOOL DISTRICT**

#### **CLASSROOM SAFETY, RENOVATION AND CONSTRUCTION MEASURE**

This proposition may be known and referred to as the “Gridley Unified School District Classroom Safety, Renovation and Construction Measure” or as “Measure J”.

#### **BOND AUTHORIZATION**

By approval of this proposition by at least 55% of the voters of the Gridley Unified School District (the “District”) voting on the proposition, the District shall be authorized to issue and sell bonds of up to \$16,300,000 in aggregate principal amount to provide financing for the specific school facilities projects listed under the heading entitled “BOND PROJECT LIST” below (the “Bond Project List”), subject to all of the accountability safeguards specified below.

#### **ACCOUNTABILITY SAFEGUARDS**

The provisions in this section are specifically included in this proposition in order that the voters and taxpayers of the District may be assured that their money will be spent to address specific school facilities needs of the District,



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all in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Sections 15264 and following of the California Education Code).

**Evaluation of Needs.** The Board of Trustees of the District (the “Board”) has evaluated the facilities needs of the District in order to determine which projects to finance from a local bond at this time. In order to address the facilities needs of the District, the Board deems it necessary and advisable to fund the specific school facilities projects listed in the Bond Project List. The Board hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List.

**Limitations on Use of Bonds.** Proceeds from the sale of bonds authorized by this proposition shall be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses. More specifically, the Bond Project List provides for the specific projects the District proposes to finance with proceeds from the sale of bonds authorized by this proposition and such proceeds shall be applied only to those specific purposes.

**Independent Citizens’ Oversight Committee.** In accordance with and pursuant to California Education Code Section 15278 *et seq.*, the Board shall establish an independent citizens’ oversight committee, within 60 days of the date that the Board enters the election results on its minutes pursuant to Section 15274 of the California Education Code, to ensure that (a) bond revenues are expended only for the purposes specified in Article XIII A, Section 1(b)(3) of the California Constitution, and (b) that no funds are used for any teacher or administrative salaries or other school operating expenses. In accordance with Section 15282 of the California Education Code, the citizens’ oversight committee shall consist of at least seven members and shall include a member active in a business organization representing the business community located within the District, a member active in a senior citizens’ organization, a member active in a bona fide taxpayers’ organization, a member that is a parent or guardian of a child enrolled in the District, and a member that is both a parent or guardian of a child enrolled in



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the District and active in a parent-teacher organization. No employee or official of the District and no vendor, contractor or consultant of the District shall be appointed to the citizens' oversight committee.

**Annual Performance Audits.** In compliance with the requirements of Article XIII A, Section 1(b)(3)(C) of the California Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000, the Board shall conduct an annual, independent performance audit to ensure that the proceeds from the sale of bonds authorized by this proposition have been expended only on the school facilities projects listed in the Bond Project List. These audits shall be conducted in accordance with the Government Auditing Standards issued by the Comptroller General of the United States for performance audits. The results of these audits shall be made publicly available and shall be submitted to the citizens' oversight committee in accordance with Section 15286 of the California Education Code.

**Annual Financial Audits.** In compliance with the requirements of Article XIII A, Section 1(b)(3)(D) of the California Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000, the Board shall conduct an annual, independent financial audit of the proceeds from the sale of bonds authorized by this proposition until all of those proceeds have been spent for the school facilities projects listed in the Bond Project List. These audits shall be conducted in accordance with the Government Auditing Standards issued by the Comptroller General of the United States for financial audits. The results of these audits shall be made publicly available and shall be submitted to the citizens' oversight committee in accordance with Section 15286 of the California Education Code.

**Special Bond Proceeds Account; Annual Report to Board.** In compliance with the requirements of California Government Code Section 53410 and following, upon approval of this proposition and the sale of any bonds approved, the Board shall take actions necessary to establish an account in which proceeds of the sale of bonds authorized by this proposition shall be deposited. In compliance with the requirements of California Government Code Section 53411, as long as any proceeds of the bonds remain unexpended, the chief fiscal officer of the District shall cause a report to be filed with the Board at least once a year, stating (a) the amount of funds collected and expended in that year, and (b) the status of any project required or authorized to be funded from bond proceeds. The report may



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relate to the calendar year, fiscal year, or other appropriate annual period as the chief fiscal officer of the District shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

### **FURTHER SPECIFICATIONS**

**Joint-Use Projects.** The District may enter into agreements with other public agencies or nonprofit organizations for joint use of the school facilities financed with the proceeds from the sale of bonds authorized by this proposition in accordance with California Education Code Section 17077.42 (or any successor provision). The District may seek State grant funds for eligible joint-use projects as permitted by law, and this proposition hereby specifies and acknowledges that, subject to the limitations on the uses provided for herein, the proceeds from the sale of bonds authorized by this proposition will or may be used to fund all or a portion of the local share for any eligible joint-use projects identified in the Bond Project List or as otherwise permitted by California State regulations, as the Board shall determine.

**Single Purpose.** All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to California Education Code Section 15100, and all the enumerated purposes shall constitute the specific single purpose of the bonds, and the proceeds from the sale of bonds authorized by this proposition shall be spent only for such purpose, pursuant to California Government Code Section 53410.

**Other Terms of the Bonds.** When sold, the bonds shall bear interest at an annual rate not exceeding the statutory maximum, and that interest shall be made payable at the time or times permitted by law. The bonds may be issued and sold in several series, and no bond shall be made to mature more than the statutory maximum number of years from the date borne by that bond.

### **ESTIMATED BALLOT INFORMATION**

The District is required by law to include in the statement of the bond proposition to be voted on estimates of the amount of money to be raised annually to repay the bonds and the rate and duration of the tax to be levied for the bonds. As of the time this proposition was placed on the ballot, the District estimated an average tax rate of approximately 3.7 cents per \$100 of assessed valuation (annual repayment amount averaging \$870,000 while the bonds are outstanding (estimated to be approximately 35 years). Attention



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of all voters is directed to the fact that such information is based upon the District's projections and estimates only, which are not binding upon the District. The amount of money to be raised annually and the rate and duration of the tax to be levied for the bonds may vary from those presently estimated due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be determined by the District based on need for project funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process.

### **BOND PROJECT LIST**

The Bond Project List below lists the specific projects the District proposes to finance with proceeds of the bonds. The Bond Project List shall be considered a part of this bond proposition and shall be reproduced in any official document required to contain the full statement of the bond proposition. Listed projects will be completed as needed at a particular school or school facility site according to Board-established priorities, and the order in which such projects appear on the Bond Project List is not an indication of priority for funding or completion. In so far as permitted by law, each project is assumed to include its share of costs of the election and bond issuance, construction-related costs, such as project and construction management, architectural, engineering, inspection and similar planning and testing costs, demolition and interim housing costs, legal, accounting and similar fees, costs related to the independent annual financial and performance audits, a contingency for unforeseen design and construction costs, and other costs incidental to or necessary for completion of the listed projects (whether the related work is performed by the District or third parties). The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. In addition, certain project funds expected from non-local bond sources, have not yet been secured. Therefore, the Board cannot guarantee that the bond proceeds will provide sufficient funds to allow completion of all listed projects. Alternatively, if the District obtains unexpected funds from non-local bond sources with respect to listed projects, such projects may be enhanced, supplemented or expanded to the



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extent of such funds. Some projects may be subject to further government approvals, including by State officials and boards and/or local environmental or agency approval. Inclusion of a project on the Bond Project List is not a guarantee that the project will be completed (regardless of whether bond funds are available).

The specific projects authorized to be financed with proceeds from the sale of bonds authorized by this proposition are as follows:

<b>CLASSROOM SAFETY, RENOVATION AND CONSTRUCTION MEASURE PROJECTS</b>
<b>The following projects are authorized to be financed at Gridley High School:</b>
<ul style="list-style-type: none"> <li>• Construct, modernize, upgrade, renovate, rehabilitate, re-configure, expand, and/or equip classrooms, classroom buildings, labs, restrooms, common areas, and school support facilities whether permanent, portable or modular.</li> <li>• Replace, upgrade and/or install major building and utility systems, equipment and infrastructure, including, but not limited to, roofing, electrical, lighting, heating, ventilation and cooling, plumbing, refrigeration, sewer, storm drain, gas, water service, and energy management.</li> <li>• Upgrade and/or acquire and install security systems, networks, fixtures, infrastructure, equipment and controls, including, but not limited to, fencing, security gates, master key and door lock and other access controls, exterior lighting, fire detection and suppression, security alarm, video surveillance, emergency, clock, bell, data, voice and audio-visual communication (including, but not limited to, telephone and public address) systems, fixtures, infrastructure, equipment and controls.</li> <li>• Construct, acquire, install and/or upgrade renewable, sustainable and efficient energy and/or water systems, equipment and features including, but not limited to, electricity generation, distribution and storage systems.</li> <li>• Improve, correct, restore and/or renovate grounds, buildings, restrooms, community and spectator areas, including bleachers, and structures or portions thereof to eliminate or mitigate health and safety risks and/or comply with local, state and federal building, health, safety, access and other related requirements, including, but not limited to, access requirements of the Americans with Disabilities Act (ADA).</li> <li>• Reconfigure, renovate, resurface, improve and/or expand roads, sidewalks, pathways, walkways, driveways, paved areas, parking lots and related areas, and pick-up/drop-off areas.</li> </ul>



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- Renovate, replace, repair, upgrade, expand, construct, acquire, install and/or improve outdoor learning areas, including, but not limited to, shade/rain structures and sitting areas.
- Construct physical education/performing arts facility, which facility may include locker and weight rooms, an indoor recreation area, stage, food service area, restrooms and other related spaces.
- Upgrade, acquire and/or install technology equipment, fixtures and infrastructure, including, but not limited to, computers, laptops, tablets, mobile devices, televisions, interactive educational technology, audio/visual systems, digital projectors, document cameras, smartboards, computer science tools and equipment, amplification devices, monitors, printers, 3D printers, copiers, scanners, announcement displays, wireless microphones, audio systems, video systems, network equipment (including, but not limited to, servers, network interface devices, data backup systems, network switches and routers, storage area network equipment, firewalls, network security equipment, racking, power and cooling equipment, wiring and uninterruptible power supplies, and wireless WAN equipment). Such upgrades, acquisitions and installations of technology equipment, fixtures and infrastructure include initial purchases and scheduled and necessary replacements, upgrades and updating of technology. Technology equipment, fixtures and infrastructure includes existing technology equipment, fixtures and infrastructure as well as technology equipment, fixtures and infrastructure developed in the future.

All or portions of these projects may be used as joint-use projects within the meaning of Section 17077.42(c) of the California Education Code (or any successor provision).

### MISCELLANEOUS

#### All listed bond projects include the following as needed:

- Planning, designing and providing temporary housing necessary for listed bond projects.
- The inspection, sampling and analysis of grounds, buildings and building materials to determine the presence of hazardous materials or substances, including asbestos, lead, etc., and the encapsulation, removal, disposal and other remediation or control of such hazardous materials and substances.



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- Seismic and historical evaluations, site surveys (including topographic, geological and utility surveys), and infrastructure analyses.
- Necessary onsite and offsite preparation or restoration in connection with new construction, renovation or remodeling, or installation or removal of relocatable buildings or other temporary buildings, including demolition of structures; removing, replacing, or installing irrigation, drainage, utility lines (gas, water, sewer, electrical, data and voice, etc.), trees and landscaping; and relocating fire access roads or ingress/egress pathways.
- Address other unforeseen conditions revealed by construction, renovation or modernization (including plumbing or gas line breaks, dry rot, seismic and structural deficiencies, etc.).
- Acquire or construct other improvements required to comply with building codes, including seismic safety requirements, the Field Act, and access requirements.
- Acquisition of any rights-of-way, easements, licenses and/or real property made necessary by listed bond projects, or lease of real property made necessary by the listed bond projects.
- Acquire or construct storage facilities and other space on an interim basis, as needed to accommodate construction materials, equipment, and personnel.
- Furnishing and equipping of classrooms and other school facilities; furnishing and equipping shall include initial purchases, and scheduled and necessary replacements, upgrades and updating of technology.
- Acquisition of all or a portion of any school site or facility, or an interest therein, or make lease payments with respect to any school site or facility, encumbered in order to finance or refinance the listed school facilities projects.
- All other costs and work necessary or incidental to the listed bond projects.

### **PROJECTS INVOLVING RENOVATION, REHABILITATION OR REPAIR**

For any project involving renovation, rehabilitation or repair of a building or the major portion of a building, the District shall be authorized to proceed with new replacement construction instead (including any necessary demolition) if the Board of Trustees determines that replacement new construction is more practical than renovation, rehabilitation or repair, considering the building's age, condition, expected remaining life, comparative cost and other relevant factors.



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### **GENERAL PROVISIONS**

**Interpretation.** The terms of this bond proposition and the words used in the Bond Project List shall be interpreted broadly to effect the purpose of providing broad and clear authority for the officers and employees of the District to provide for the school facilities projects the District proposes to finance with the proceeds of the sale of bonds authorized by this proposition within the authority provided by law, including Article XIII A, Section 1(b)(3) of the California Constitution, California Education Code Section 15000 *et seq.* and the Strict Accountability in Local School Construction Bonds Act of 2000. Without limiting the generality of the foregoing, such words as repair, improve, upgrade, expand, modernize, renovate, and reconfigure are used in the Bond Project List to describe school facilities projects in plain English and are not intended to expand the nature of such projects beyond, or have an effect on, and shall be interpreted to only permit, what is authorized under Article XIII A, Section 1(b)(3) of the California Constitution, California Education Code Section 15000 *et seq.* and the Strict Accountability in Local School Construction Bonds Act of 2000. In this regard, the Bond Project List does not authorize, and shall not be interpreted to authorize, expending proceeds of the sale of bonds authorized by this proposition for current maintenance, operation or repairs. The school facilities projects on the Bond Project List only authorize capital expenditures.

**Headings.** The headings or titles of the sections of the bond proposition, including any headings or titles included in the Bond Project List, are solely for convenience of reference and shall not affect the meaning, construction or effect of the bond proposition.

**Severability.** The Board hereby declares, and the voters by approving this bond proposition concur, that every section and part of this bond proposition has independent value, and the Board and the voters would have adopted each provision hereof regardless of every other provision hereof. Upon approval of this bond proposition by the voters, should any part be found by a court of competent jurisdiction to be invalid for any reason, all remaining parts hereof shall remain in full force and effect to the fullest extent allowed by law, and to this end the provisions of this bond proposition are severable.

### **TAX INFORMATION STATEMENT**

An election will be held in the Gridley Unified School District (the “District”) on November 8, 2022, to authorize the sale of up to \$16,300,000 in bonds of



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the District to finance school facilities as described in the proposition. If the bond proposition is approved by at least 55% of the voters of the District voting on the bond proposition, the District expects to issue the bonds in multiple series over time. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property in the District. The following information is provided in compliance with Sections 9400 through 9405 of the California Elections Code.

1. The best estimate of the average annual tax rate that would be required to be levied to fund this bond issue over the entire duration of the bond debt service, based on assessed valuations available at the time of filing of this statement, is 3.7 cents per \$100 (\$37.00 per \$100,000) of assessed valuation. The final fiscal year in which the tax to be levied to fund this bond issue is anticipated to be collected is fiscal year 2056-57.
2. The best estimate of the highest tax rate that would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is 4 cents per \$100 (\$40.00 per \$100,000) of assessed valuation in fiscal year 2022-23 and such tax rate is expected to continue through fiscal year 2051-52.
3. The best estimate of the total debt service, including the principal and interest, that would be required to be repaid if all of the bonds are issued and sold is approximately \$30,400,000.

Voters should note that estimated tax rates are based on the *ASSESSED VALUE* of taxable property on the County's official tax rolls, *not* on the property's market value, which could be more or less than the assessed value. In addition, taxpayers eligible for a property tax exemption, such as the homeowner's exemption, will be taxed at a lower effective tax rate than described above. Property owners should consult their own property tax bills and tax advisors to determine their property's assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon the District's projections and estimates only, which are not binding upon the District. The average annual tax rate, the highest tax rate, the final fiscal year in which the tax is anticipated to be collected and the year or years in which they will apply, and the actual total debt service, may vary from those presently estimated for a variety of reasons, including, without



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limitation, due to variations in the timing of bond sales, the amount or amortization of bonds sold, market conditions at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount or amortization of bonds sold at any given time will be determined by the District based on need for project funds and other factors, including the legal limitations on bonds approved by a 55% affirmative vote. Market conditions, including, without limitation, interest rates, are affected by economic and other factors beyond the control of the District and will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process. The growth or decline in assessed valuation is the result of a number of economic and other factors outside the control of the District.

Dated: June 15, 2022

s/Justin Kern, Superintendent - Gridley Unified School District