



Durham Unified School District Measure

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

X

School Bond Measure

To improve the quality of education; repair/replace deteriorating electrical, plumbing and sewer systems; upgrade agriculture and vocational teaching facilities; repair leaky roofs; and renovate classrooms, restrooms and school facilities; shall Durham Unified School District issue \$19,700,000 of bonds at legal rates, generating on average \$1,100,000 annually as long as bonds are outstanding from levies of approximately 6 cents per \$100 assessed value, with annual audits, independent citizens' oversight, NO money for salaries and all money staying local?

Bonds-Yes

Bonds-No



IMPARTIAL ANALYSIS OF MEASURE X

Measure X, a Durham Unified School District ("District") bond measure, seeks voter approval to authorize the District to issue \$19.7 million of bonds at legal rates. The primary purpose of the bonds is to finance school facilities projects as specified in the measure.

Pursuant to Section 18 of Article XVI and Section 1 of Article XIII A of the California Constitution, this measure will become effective upon the affirmative vote of at least 55% of the qualified electors voting on this measure.

Education Code section 15100 restricts the use of the proceeds from the bonds sale to items such as building school buildings, improving school grounds, supplying school buildings and grounds with equipment, and acquiring real property for school facilities. In addition, proceeds may only be used for the projects listed in the measure. This measure provides that its proceeds will fund three general types of projects outlined in the measure (reproduced in the sample ballot pamphlet) that include, but are not limited to: school renovation, repair and upgrade projects; school site health, safety and security projects; and district-wide wiring and technology for instructional support and effective learning environment projects. Proceeds may not be used for any other purpose such as administrators' or teachers' salaries or other operating expenses.

If 55% of those who vote on the measure vote "yes", the District will be authorized to issue bonds in the amount of \$19.7 million. Approval of this measure will authorize a levy on the assessed value of taxable property within the District by an amount needed to pay the principal and interest on the bonds each year that the bonds are outstanding.



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The Tax Rate Statement for Measure X in this sample ballot pamphlet reflects the District's best estimates, based upon currently available data and projections, of the property tax rates required to service the bonds. The best estimate of the tax rate required to be levied to fund the bonds is 6 cents per \$100 of assessed valuation or \$60 per \$100,000 of assessed valuation. The final fiscal year in which the tax is anticipated to be collected is 2052-53. The best estimate of the total debt service, including principal and interest, that would be required to be repaid if all the bonds are issued and sold is \$41,300,000.

The Board of Trustees ("Board") will appoint a citizens' oversight committee to ensure that the bond proceeds are spent for the projects listed in the measure. The Board will also conduct annual, independent performance and financial audits.

If 55% of those voting on this measure do not vote for approval, the measure will fail and the District will not be authorized to issue the bonds.

This measure is placed on the ballot by the governing board of the District.

/s/Bruce S. Alpert
County Counsel

The above statement is an impartial analysis of Measure X. If you desire a copy of the measure, please call Butte County Elections at 530-538-7761 or 800-894-7761 within Butte County and a copy will be mailed to you at no cost. You may also access the full text of the measure at the following website address: <http://buttevotes.net>



TAX RATE STATEMENT

An election will be held within the boundaries of Durham Unified School District (the "District") on November 6, 2018 to authorize the sale of up to \$19.7 million in bonds to finance facilities as described in the proposition. If the bonds are approved, the District expects to sell the bonds in multiple series. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property located within the District. The following information is provided in compliance with Sections 9400-9404 of the California Elections Code.



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1. The best estimate of the annual average tax rate which would be required to be levied to fund this bond issue over the entire duration of the bond debt service, based on estimated assessed valuations available at the time of filing of this statement, is 6 cents per \$100 (\$60 per \$100,000) of assessed valuation. The final fiscal year in which the tax is anticipated to be collected is 2052-53.
2. The best estimate of the highest tax rate which 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 6 cents per \$100 (\$60 per \$100,000) of assessed valuation, which rate would be levied while the bonds are outstanding.
3. The best estimate of total debt service, including principal and interest, which would be required to be repaid if all the bonds are issued and sold is \$41,300,000.

Voters should note that the estimated tax rate is based on the ASSESSED VALUE of taxable property on the County of Butte official tax rolls, not on the property's market value. Property owners should consult their own property tax bills 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 actual tax rates, debt service and the years in which they will apply 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 construction 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.

/s/Lloyd Webb, Superintendent
June 28, 2018



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ARGUMENT IN FAVOR OF MEASURE X

Our schools are the most important assets in our community and should be a top priority. From higher achieving students, to greater neighborhood safety, to training for future jobs and improved property values, quality schools make a difference. While our teachers and staff do their best in educating our children, many classrooms, portables, and other school facilities in the Durham Unified School District 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 X!**

Although our schools have been well maintained, many of our facilities are outdated and do not meet 21st century standards. Measure **X** would allow the District to improve our schools and the quality of education provided to local students. By investing in our local schools, we can meet today's safety, technological, and educational standards and better our community.

If passed, Measure **X** will make critical facility improvements at Durham Unified schools, including; repairing or replacing deteriorating electrical, plumbing and sewer systems, replacing leaky roofs, updating agriculture and vocational teaching facilities, repairing or replacing outdated heating, ventilation and air-conditioning systems, modernizing and renovating outdated classrooms and restrooms and school facilities, and removing portables.

Measure **X** 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 Durham schools, not for teacher or administrative salaries.

Measure **X** 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 **X!**

/s/Stephen Plume, Owner Durham Auto Parts
/s/Susan Murphy, Owner J.H. Mc Knight Ranch
/s/Michael Sohnrey, Sohnrey Ranches Inc.
/s/ Eva-Lis Southam, Southam Orchards
/s/Jolie Webb, Bill Webb Homes/Parent



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NO ARGUMENT AGAINST MEASURE X WAS SUBMITTED



FULL TEXT BALLOT PROPOSITION OF THE DURHAM UNIFIED SCHOOL DISTRICT BOND ELECTION FOR NOVEMBER 6, 2018

By approval of this measure by at least fifty-five percent (55%) of the registered voters voting thereon, the Durham Unified School District shall be authorized to issue and sell bonds of up to \$19.7 million in aggregate principal amount to provide financing for the specific school facilities projects listed below in the Bond Project List, subject to all of the accountability safeguards specified herein.

ACCOUNTABILITY MEASURES

The provisions in this section are 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 facilities needs of the District, all in compliance with the requirements of Article XIII A, section 1(b)(3) of the State Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Section 15264 *et seq.* of the California Education Code).

Evaluation of Needs. The Board has evaluated the facilities needs of the District and has identified projects to finance from a local bond measure at this time. The Board hereby certifies that it has evaluated safety, class size and information technology needs in developing the Bond Project List.

Independent Citizens' Oversight Committee. The Board shall establish an independent Citizens' Oversight Committee in accordance with Education Code sections 15278-15282 and applicable Board policy, to ensure bond proceeds are expended only for the school facilities projects listed in the Bond Project List. An existing Citizens' Oversight Committee may be empowered by the Board to oversee the expenditure of bond proceeds from this measure. The committee shall be so empowered, or a new committee established, within sixty (60) days of the date when the Board enters the results of the election in its official minutes.

Annual Performance Audit. The Board shall conduct or cause to be conducted an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects described in the Bond Project List.



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Annual Financial Audit. The Board shall conduct or cause to be conducted an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects described in the Bond Project List.

Annual Report to Board. Upon approval of this measure 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 will be deposited. As long as any proceeds of the bonds remain unexpended, the Superintendent shall cause a report to be filed with the Board no later than January 1 of each year, commencing on the first January 1 after bonds have been issued and proceeds spent, stating (1) the amount of bond proceeds received and expended in the past fiscal year, and (2) the status of any project funded or to be funded from bond proceeds. The report may be incorporated into the annual budget, annual financial report, or other appropriate routine report to the Board.

BOND PROJECT LIST

This Bond Project List, which is an integral part of this proposition, describes the specific projects the District proposes to finance with proceeds of the bonds.

Proceeds from the sale of bonds authorized by this measure shall be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities on the Bond Project List, including the furnishing and equipping of said school facilities, or the acquisition or lease of real property for said school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

In order to meet all identified facility needs, the District intends to complete projects using a combination of funding sources. These sources may include joint-use funds, development impact fees, state funds (if available) and other available funds. The District will pursue state matching funds if and when they become available, and if received, they will be used for and mainly applied to projects on the Bond Project List or other high priority capital outlay expenditures as permitted in Education Code section 17070.63(c). No project is dependent on the receipt of state funding for completion.

Specific projects to be funded by the bond measure include, without limitation, the following:

School Renovation, Repair and Upgrade Projects



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- Repair/replace existing plumbing systems to meet current codes, including drainage.
- Repair and upgrade roofs, ceilings, walls, and floors.
- Renovate, repair, expand and/or upgrade the interior and/or exterior of existing classrooms and school facilities, including infrastructure and landscaping improvements.
- Replace existing wiring systems to meet current electrical and accessibility codes and increased capacity.
- Update agriculture and vocational teaching facilities
- Install additional and/or replace outdated heating, ventilation, air conditioning systems, and lighting systems with building code compliant systems.
- Provide enhanced computer labs.
- Upgrade, expand, repair and/or equip science labs, multi-purpose rooms, food service facilities, auditoriums, libraries, and other school facilities.
- Replace existing window systems with energy efficient systems. Repair outdated temporary portable classrooms or replace with permanent classrooms.

School Site Health, Safety and Security Projects

- Upgrade or replace buildings that do not meet current minimum building code standards.
- Remove all dry rot and repair damage caused by dry rot.
- Replace/upgrade existing signage, bells, clocks and fire protection systems.
- Install, repair, upgrade, or replace safety and security systems for students and staff, including new fencing around the schools.
- Install energy efficient systems including “green” building projects and sustainable building practices to promote energy-efficiency.
- Upgrade and repair play areas and play fields.
- Upgrade, repair, or expand school site parking, driveways, walkways, ground, and utilities.
- Abate and remove hazardous materials identified prior or during construction.
- Repair, replace and/or upgrade paved surfaces, turf, and other grounds to eliminate safety hazards and improve outside instructional areas.



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District-Wide Wiring and Technology for Instructional Support and Effective Learning Environment Projects

- Upgrade and expand campus wide-intercom and wireless systems, and telecommunications, internet, and network connections.
- Upgrade media, audio/visual equipment, and other technology for effective learning environments, including smart boards and “distance learning”.
- Upgrade and replace classroom equipment and instructional aides.

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 for unforeseen design and construction costs. In addition to the listed projects stated above, the list also includes the acquisition of a variety of instructional, maintenance and operational equipment, including the reduction or retirement of outstanding lease obligations and interim funding incurred to advance fund projects from the list; installation of signage and fencing; 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 District activities caused by construction projects. In addition to the projects listed above, the repair and renovation of each of the existing school facilities may include, but not be limited to, some or all of the following: renovation of student and staff restrooms; repair and replacement of heating and ventilation systems; upgrade of facilities for energy efficiencies; repair and replacement of worn-out and leaky roofs, windows, walls, doors and drinking fountains; installation wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; upgrades or construction of support facilities, including administrative, physical education/athletic facilities and performing arts buildings and maintenance yards; repair and replacement of fire alarms, emergency communications and security systems; resurfacing or replacing of hard courts, turf and irrigation systems and campus landscaping and play fields; expand parking; install interior and exterior painting and floor covering; demolition; and construction of various forms of storage and support spaces, upgrade classrooms, bleachers, kitchens, repair, upgrade and install interior and exterior lighting systems; replace outdated security fences and security systems. The upgrading of technology infrastructure includes, but is not limited to, computers, LCD projectors, portable interface devices, servers, switches, routers, modules, sound projection systems, laser printers, digital white boards, document projectors, upgrade voice-over-IP, call manager and network security/firewall,



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wireless technology systems and other miscellaneous equipment and software. 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. The budget for each project is an estimate and may be affected by factors beyond the District's control. Some projects throughout the District, such as gyms, fields and performing arts facilities, may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. 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.

STATE MATCHING FUNDS

Approval of Measure X does not guarantee that the proposed project or projects in the Durham Unified School District that are the subject of bonds under Measure X will be funded beyond the local revenues generated by Measure X. The school 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.