

MEASURE AA

Approval of Measure AA does not guarantee that the proposed project or projects in the Campbell Union High School District that are the subject of bonds under Measure AA will be funded beyond the local revenues generated by Measure AA. 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.

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE AA

Upon approval of 55 percent of the votes cast by voters in an election and subject to specified accountability measures, California law permits school districts to issue bonds, secured by the levy of *ad valorem* taxes on property within a district, for the purpose of 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.

The Board of Trustees (Board) of Campbell Union High School District (District) proposes to issue and sell bonds in the amount of up to \$275,000,000. As identified in the Measure, bond proceeds could be used to modernize, replace, renovate, acquire, install, equip, furnish, and otherwise improve educational facilities, technology equipment projects and supporting systems and software within the District. A complete list of projects and allowed expenditures is included in the full text of the Measure. The Board has certified that it has evaluated safety, class size, and information technology needs in developing its project list. The Measure states that the District may alter the scope and nature of any of the specific projects that are listed in the measure as required by unforeseen conditions that arise over time.

The California Constitution provides that proceeds of school district bond measures cannot be used for teacher and administrator salaries or other school operating expenses, and requires independent annual performance and financial audits. State law requires the establishment of an independent citizens' oversight committee for ensuring that bond proceeds are expended only for the school facilities on the bond project list included in the Measure.

The District's stated best estimate of the highest tax rate to be levied to fund the proposed bonds is \$29.30 per \$100,000 of assessed value based on estimated assessed valuations available at the time of the filing of the tax rate statement of the Measure. The District's resolution authorizing the sale and issuance of bonds does not include information about any other District debt obligations that may exist.

Measure AA was placed on the ballot by the Board.

A "yes" vote is a vote to authorize the issuance of the bonds in the amount of \$275,000,000 to be secured by the levy of *ad valorem* taxes on property located within the District.

A "no" vote is a vote to not authorize the issuance of the bonds.

James R. Williams
Acting County Counsel

/s/ Danielle L. Goldstein
Deputy County Counsel

COMPLETE TEXT OF MEASURE AA

BALLOT MEASURE FULL TEXT

To improve local high schools to better prepare students for 21st century careers, by modernizing classrooms, labs, and technology for career education in engineering, science, advanced math, coding and computer skills; repairing aging facilities, including leaky roofs, floors, electrical systems, and restrooms; making seismic upgrades, removing hazardous asbestos, and adding classrooms/school facilities to prevent overcrowding, shall the Campbell Union High School District issue \$275 million in bonds, within legal rates, with annual financial audits and independent citizen's oversight?

Bonds—Yes Bonds—No

BOND AUTHORIZATION

By approval of this measure by at least 55 percent of the registered voters voting on the measure, the District will be authorized to issue and sell bonds of up to \$275,000,000 in aggregated principal at interest rates not in excess of the legal limit and to provide financing for the specific school facilities projects listed in the Bond Project List described below, subject to all the accountability requirements specified below.

The Bonds may be issued under the provisions of the California Education Code (starting at Section 15100), under the provisions of the California Government Code (starting at Section 53506), or under any other provision of law authorizing the issuance of general obligation bonds by school districts. The Bonds may be issued in series by the District from time to time, and each series of Bonds shall mature within the legal limitations set forth in the applicable law under which the Bonds are issued.

ACCOUNTABILITY REQUIREMENTS

The provisions in this section are specifically included in this measure in order that the voters and taxpayers in the District may be assured that their money will be spent wisely. Expenditures to address specific facilities needs of the District will be 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 Education Code Sections 15264 and following.)

Evaluation of Needs. The Board of Trustees of the District (the "Board of Trustees") has identified detailed facilities needs of the District and has determined which projects to finance from a local bond at this time. The Board of Trustees has certified that it has evaluated safety, class size reduction, enrollment growth, and information technology needs in developing the Bond Project List shown below.

Independent Citizens' Oversight Committee. The Board of Trustees shall establish an Independent Citizens' Oversight Committee under Education Code Section 15278 and following to ensure that bond proceeds are expended only on the school facilities projects listed below. The committee will be established within 60 days of the date when the results of the election appear in the minutes of the Board of Trustees.

COMPLETE TEXT OF MEASURE AA-Continued

Performance Audits. The Board of Trustees shall conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects listed below.

Financial Audits. The Board of Trustees shall conduct an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed below.

Government Code Accountability Requirements. As required by Section 53410 of the Government Code, (1) the specific purpose of the bonds is set forth in this Full Text of the Measure, (2) the proceeds from the sale of the bonds will be used only for the purposes specified in this measure, and not for any other purpose, (3) the proceeds of the bonds, when and if issued, will be deposited into a building fund to be held by the Santa Clara County Treasurer, as required by the California Education Code, and (4) the Superintendent of the District shall cause an annual report to be filed with the Board of Trustees of the District not later than January 1 of each year, which report shall contain pertinent information regarding the amount of funds collected and expended, as well as the status of the projects listed in this measure, as required by Sections 53410 and 53411 of the Government Code.

NO TEACHER OR ADMINISTRATOR SALARIES

Proceeds from the sale of bonds authorized by this measure shall be used only for the purposes specified in Article XIII A, Section 1(b)(3), those being for the 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 administrator salaries and other school operating expenses.

STATE MATCHING FUNDS

The following statement is included in this measure pursuant to Education Code Section 15122.5: Approval of this measure does not guarantee that the proposed project or projects that are the subject of bonds under this measure will be funded beyond the local revenues generated by this measure. The District's proposal for the project or projects described below may assume the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.

BOND PROJECT LIST

Joint Use. The District may enter into agreements with the County of Santa Clara, or other public agencies or nonprofit organizations for joint use of school facilities financed with the proceeds of the bonds in accordance with 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 bond funds 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 of Trustees shall determine.

Scope of Projects. Bond proceeds will be expended to modernize, replace, renovate, acquire, install, equip, furnish, and otherwise improve educational technology equipment projects and supporting systems and software within the District. Projects which are described below include all related and incidental costs, including their share of the costs of the election and bond issuance and costs of design, engineering, architect and other professional services, inspections, site preparation, utilities, and

COMPLETE TEXT OF MEASURE AA-Continued

other planning, legal, accounting and similar costs, independent annual financial and performance audits, a customary contingency, and other costs incidental to and necessary for completion of the listed projects.

The scope and nature of any of the specific projects described below may be altered by the District as required by unforeseen conditions that may arise during the course of design and construction. In the event that a modernization or renovation project will result in higher costs than relocation and construction, this bond measure authorizes land acquisition, relocation and reconstruction, and all costs relating thereto, for said reasons or based on other considerations deemed in the best interest of the District by the Governing Board. In addition, this measure authorizes the acquisition of real property required to expand or provide school facility projects at the listed sites. In addition, authorized projects include paying and/or prepaying interim financing for said projects such as bond anticipation notes, and includes prepayment of lease payments and related certificates of participation to acquire title to school facilities previously financed.

Approval of the District's bond measure does not guarantee that all of the identified projects within this Bond Project List will be funded beyond what can be completed with local funds generated by the bond measure. The District plans to pursue funds from the State of California, if available, to complete certain of the identified facilities projects.

Bond proceeds may also be expended to acquire equipment in any classroom or other educational facility within the District. The District may alter the scope and nature of any of the specific projects that are described below as required by conditions that arise over time.

Whenever specific items are included in the following list, they are presented to provide examples and are not intended to limit the generality of the broader description of authorized projects. The order in which particular projects are listed is not intended to indicate priority for funding or completion.

PROJECT LIST

Bond proceeds are authorized to be expended to finance the acquisition, construction, renovation, upgrade, repair and improvement of any of all of the following projects at the site of the Boynton High School, Branham High School, Blackford High School, Camden High School, Del Mar High School, Leigh High School, Prospect High School and Westmont High School, and other properties used for educational, support, and operational purposes of the District. Whenever an example of certain facilities is included in the following list, such example is not intended to limit the generality of the category of improvements. The District may apply bond proceeds to establish a fund for the long-term implementation of future technology projects and a fund for the long-term implementation of deferred maintenance improvements.

- Modernization of classroom, teaching, office and education support facilities
- Construction, renovation and improvement of classroom facilities to address enrollment growth
- Career Technical Education facilities, including Science, Technology, Engineering and Math facilities and other specialized facilities for skilled trades and vocational programs
- Complete seismic upgrades to buildings and remove hazardous asbestos as needed
- Science classrooms and lab facilities

COMPLETE TEXT OF MEASURE AA-Continued

- School technology and computer equipment
- Student assembly, multipurpose rooms and arts education classrooms and facilities
- Restroom facilities
- Temporary classroom and school facilities for growth, including swing space during construction
- Furniture, fixtures and equipment for new and modernized facilities
- Kitchen and cafeteria construction and upgrades
- Construction, modernization and upgrade of physical education facilities, playing fields and other athletic facilities
- Heating, ventilation and air conditioning replacement and upgrades, including paying off existing certificates of participation issued to finance such improvements
- Classroom communication systems and technology upgrades
- Campus safety upgrades, including video camera system, door hardware upgrades and campus reconfiguration
- Fire suppression and alarm system improvements
- Accessibility upgrades
- Maintain and replace roofs
- Exterior building painting, including related exterior repairs
- Resurface, repave and maintain exterior paved areas
- Replacement and installation of underground utilities
- Landscaping and other outdoor space improvements
- Replace temporary storage with permanent storage
- Water conservation projects, interior and exterior
- Energy efficiency upgrades, including efficient installation and replacement of light fixtures, improvements to energy management systems and paying off existing certificates of participation issued to finance energy efficiency facilities
- Additional solar power generating capacity and electrical upgrades
- Library and administration facilities, homework centers, student service facilities, student union center and teacher collaboration facilities
- Improvements and equipment for the science and astronomy facilities at Prospect High School
- Purchase of vehicles and improvement of vehicle maintenance facilities

TAX RATE STATEMENT

An election will be held in the Campbell Union High School District (the "District") on November 8, 2016 to authorize the sale of up to \$275,000,000 in general obligation bonds. The following information is submitted in compliance with Sections 9400-9404 of the California Elections Code.

1. The best estimate of the tax rate that would be required to fund this bond issue during the first fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$.02930 per \$100 (\$29.30 per \$100,000) of assessed valuation in fiscal year 2017-18.

2. The best estimate of the tax rate that would be required to fund this bond issue during the first fiscal year after the sale of the last series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$.02930 per \$100 (\$29.30 per \$100,000) of assessed valuation in fiscal year 2029-30.

3. The best estimate of the highest tax rate that would be required to fund this bond issue, based on estimated assessed valuations available at the time of filing this statement, is \$.02930 per \$100 (\$29.30 per \$100,000) of assessed valuation. This vote is projected to apply in each fiscal year that the bonds are outstanding.

4. The best estimate from official sources of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold will be approximately \$301,000,000.

These estimates are based on projections derived from information obtained from official sources. The actual tax rates and the years in which they will apply may vary depending on the timing of bond sales, the amount of bonds sold at each sale and actual increases in assessed valuations. The timing of the bond sales and the amount of bonds sold at any given time will be determined by the needs of the District. Actual assessed valuations will depend upon the amount and value of taxable property within the District as determined in the assessment and the equalization process.

Dated: 7-1-16

/s/ Ron Wheelehan
Chief Business Officer, Assistant Superintendent
Campbell Union High School District

ARGUMENT IN FAVOR OF MEASURE AA

The world's most innovative and fastest growing industries are right here in the heart of Silicon Valley. With exciting technological advances for medical devices, semi-conductors, driverless cars, solar and renewable energy being developed daily, our high school students need to have the skills to compete for these pioneering careers.

We cannot expect our students to be a part of tomorrow's innovations when they are learning in labs and classrooms that were built in the 1960s and have aging electrical systems that do not support modern instructional technology.

Branham, Del Mar, Leigh, Prospect and Westmont high schools require repairs and renovation to improve infrastructure, labs and job training classrooms for a modern education in the fields of science, engineering, medicine and technology.

Measure AA ensures our high schools meet current safety and seismic standards, and are modernized so students develop the tools to be competitive for careers in Silicon Valley and the worldwide job market.

Yes on AA:

- Upgrades classrooms and labs for science, engineering, robotics, coding, biotech and computer technology courses
- Repairs leaky roofs and removes hazardous asbestos
- Improves school access for students and teachers with disabilities
- Strengthens the seismic safety of school buildings
- Upgrades infrastructure including wiring, networks and instructional technology

Mandatory taxpayer protections are required:

- Every penny must stay local to support our high schools
- By law, funds cannot be taken away by the State
- An independent citizens' oversight committee and annual audits are required
- No funds can be used for administrator salaries

Whether or not you have school aged children, good schools keep our neighborhoods desirable and protect the value of our homes.

Help prepare our high school students for future success. Join parents, teachers, elected leaders and the business community in voting YES on Measure AA.

/s/ Matthew R. Mahood
President & CEO San Jose Silicon Valley Chamber of Commerce

/s/ Judy Chirco
Former San Jose City Councilmember

/s/ Laura Hallinan
Campbell Union High School District Teacher of the Year

/s/ Nicole Shaddox
President, Westmont High School PTSA

/s/ Manny Barbara
Vice President, Silicon Valley Education Foundation

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE AA

In 2006 voters approved a \$90,000,000 bond measure to "renovate/upgrade facilities and improve student safety".

Now, just 10 years later, they want to do it all over again, but at more than 3 times the cost, plus interest.

It's amazing how fast classrooms become obsolete these days.

Can the Campbell Union High School District be trusted with this \$275,000,000 bond debt?

The answer is clearly NO!

They have already been wrongly entrusted with \$90 million to upgrade facilities, and now they want another \$275 million (saddling us with *another 25-30 years of debt!*)...to do the same thing all over again.

Are school buildings constructed so poorly that they need repairs every 10 years?

This bond expense, per student, equals \$36,897. At 20 students per classroom, that's \$737,957 for each classroom. That's some fancy classroom!

They want to "modernize classrooms, labs" at a cost of 3 times what that cost just 10 years ago. That's outrageous.

Would you take out a 25-30 year loan to buy a computer?

No? But, that's what the district wants you to do.

That's just nuts!

No sane person would take out a loan for 25-30 years to buy technology that's going to be obsolete in 3-5 years. But, that's just what the District is asking you to do.

Let's reject these wasteful expenses by voting "NO," on Measure AA.

You can be for schools, for students, for teachers, but against Measure AA.

For more information:

www.SVTaxpayers.org/2016-campbell-union-high-school-district-bond

/s/ Mark W. A. Hinkle

President: Silicon Valley Taxpayers Association

ARGUMENT AGAINST MEASURE AA

In 2006 voters approved a \$90,000,000 bond measure to "renovate/upgrade facilities and improve student safety".

Now, just 10 years later, they want to do it all over again, but at more than 3 times the cost, plus interest.

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The answer is clearly NO!

They have already been wrongly entrusted with \$90 million to upgrade facilities, and now they want another \$275 million (saddling us with *another 25-30 years of debt!*)...to do the same thing all over again.

Are school buildings constructed so poorly that they need repairs every 10 years?

They say they want to prevent "overcrowding", but student enrollment from 2010-11 school year has declined from 7,581 students down to 7,453 in 2014-15. Virtually no change in 5 years.

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/s/ Mark W.A. Hinkle

President: Silicon Valley Taxpayers Association

REBUTTAL TO ARGUMENT AGAINST MEASURE AA

Our lone opponent files an identical argument against nearly every measure on the ballot, every year. He's entitled to his ideology, but he doesn't live in our community and hasn't bothered to understand our needs.

If he did, he'd know that our high schools were built in the 1960s, and that classrooms built to teach home economics are now housing our engineering curriculum. The world has changed dramatically and educational standards have evolved as well.

We can't expect our kids to be a part of the next wave of innovation in Silicon Valley if they don't acquire modern skills to compete for tomorrow's careers. Our students can't succeed with severely outdated classrooms and labs.

Measure AA:

- Upgrades classrooms and labs for modern science, engineering, robotics, coding, biotech and computer technology courses
- Upgrades infrastructure including wiring, networks and instructional technology

The district has been fiscally responsible with taxpayers' money, refinancing debt when possible. It's returned roughly \$14 million to taxpayers in just the past 2 years and has earned an AA+ credit rating which is awarded to less than 10% of school districts statewide. The district will not finance technology with long-term bonds, only short-term bonds. Not just because that's the responsible thing to do, it's the law.

There is no other funding source other than Measure AA. Funds cannot be taken by the State and citizen oversight and annual audits ensure they're spent as promised.

Vote YES on Measure AA.

/s/ Carl Guardino
President and CEO, Silicon Valley Leadership Group

/s/ Elena Shea
President, California 6th District PTA

/s/ Fitzgerald Vo
Science Teacher, Branham High School

/s/ Evan Low
State Assemblymember

/s/ Eve C. Walton
National Taxpayers Union