MEASURE D
WALNUT CREEK SCHOOL DISTRICT

To address critical renovation, modernization and safety needs at District schools, upgrade classrooms, libraries and computer networks to provide students with 21st Century classrooms, improve energy efficiency of classrooms and buildings, and replace, acquire, construct and renovate school facilities shall the Walnut Creek School District issue $60 million in bonds at legal interest rates with funds monitored by an Independent Citizens’ Oversight Committee and no funds spent on administrators?

COUNTY COUNSEL’S IMPARTIAL ANALYSIS OF MEASURE D

The California Constitution provides that school districts may issue bonds 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, with the approval of 55% of the voters voting at an election for that purpose.

By resolution, the Walnut Creek School District has proposed that bonds of the District be issued in an amount up to $60,000,000. This measure provides that proceeds from the sale of the bonds will generally be used to “address critical renovation, modernization and safety needs at District schools, upgrade classrooms, libraries and computer networks to provide students with 21st Century classrooms, improve energy efficiency of classrooms and buildings, and replace, acquire, construct and renovate school facilities.” The specific projects are set forth in the bond project list attached to the resolution of the Board of Trustees. The measure provides that a citizens’ oversight committee will be established to ensure that bond proceeds are properly expended and that annual performance and financial audits will be conducted. The measure further provides that bond proceeds will only be used for the purposes specified in the measure, and not for any other purpose.

Approval of this measure authorizes the levy of ad valorem taxes upon taxable property to repay the bonded indebtedness, both principal and interest, in each year that bonds are outstanding. The Walnut Creek School District has prepared a Tax Rate Statement, which represents the school district’s best estimates of the property tax rates required to service the bonds. The estimated average tax rate required to be levied to fund the bonds is expected to be $17.30 per $100,000 of assessed valuation over the life of the bonds.

Approval of the measure does not guarantee that the bonds will generate sufficient funds to allow completion of all of the proposed project or projects on the bond project list. The proposed 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.

A “yes” vote authorizes the issuance of the bonds and the levy of taxes as estimated in the Tax Rate Statement to repay the bonded indebtedness. A “yes” vote by 55% of the voters within the District voting on the measure is required for passage of this measure. A “no” vote on this measure disapproves the issuance of the bonds and the levy of the taxes for the bonded indebtedness.
TAX RATE STATEMENT FOR
MEASURE D

An election will be held in the Walnut Creek School District (the “District”) on June 7, 2016, to authorize the sale of up to $60,000,000 in bonds of the District for the specific school facilities projects listed in the Bond Project List established by the District, as described in the proposition. If the bonds are authorized, the District expects to sell the bonds in one or more series. 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 9400-9404 of the Elections Code of the State of California.

(1) The best estimate of the tax rate that would be required to be levied to fund the bonds during the first fiscal year after the first sale of the bonds based on estimated assessed valuations available at the time of filing of this statement, is $17.30 per $100,000 of assessed valuation in Fiscal Year 2017-18.

(2) The best estimate of the tax rate that would be required to be levied to fund the bonds during the first fiscal year after the last sale of the bonds, based on estimated assessed valuations available at the time of filing of this statement, is $17.30 per $100,000 of assessed valuation in Fiscal Year 2022-23.

(3) The best estimate of the highest tax rate that would be required to be levied to fund the bonds, based on estimated assessed valuations available at the time of filing of this statement, is $17.30 per $100,000 of assessed valuation in Fiscal Year 2017-18.

(4) The best estimate of the average tax rate which would be required to be levied to fund the bonds during the life of the bonds, based on estimated assessed valuations available at the time of filing of this statement, is $17.30 per $100,000 of assessed valuation.

(5) The best estimate 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 is $132,354,136. This estimate is based on assumptions regarding future interest rates and the term, timing, structure and amount of each series of bonds.

Voters should note that estimated tax rate is based on the ASSESSED VALUE of taxable property on Contra Costa County’s 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 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 Contra Costa County Assessor in the annual assessment and the equalization process.

Dated: March 7, 2016.

Superintendent
Walnut Creek School District
ARGUMENT IN FAVOR OF MEASURE D

Measure D will raise the funds needed to address specific needs at all of the schools in the Walnut Creek School District.

All of the schools in the District will benefit with the upgraded classrooms, libraries and computer networks needed to provide all students with 21st Century schools. Every Yes vote will continue our community’s investment in the schools that provide all our students with an educational environment that supports achievement and success.

Measure D provides funds to

- Upgrade electrical and network wiring as needed at each of the District’s schools to improve student access to computers and technology.
- Replace aging heating and cooling systems.
- Repair or replace aging roofs.
- Build new classrooms at Tice Creek School.
- Improve the energy efficiency of classrooms and buildings.

Measure D provides for strict accountability. All of the funds will be monitored by a Citizens’ Oversight Committee. The committee must include a representative of a taxpayers’ organization, a senior citizen, a local business person and an active parent. No District employee, vendor, contractor or consultant may serve on the committee.

Measure D requires that the district conduct annual, independent performance audits to ensure that the bond proceeds are only spent on specific local school facility projects. By law, no funds can be spent on administrator or teacher salaries.

Our community has acted locally in the past to address local school needs. Now is not the time to wait on Sacramento. No state funding is available for these critical renovations. We must provide our schools with reliable, local funds to renovate and modernize Walnut Creek’s schools.

It is important to make sure all of the District’s schools provide students with a safe, comparable learning environment.

Please Vote Yes on Measure D.

Kristina Lawson, Former Walnut Creek Mayor and Tice Creek School Parent
Tim Schultz, Former Walnut Creek Police Department Captain and Walnut Creek Education Foundation President
Sandy Ball, Former Walnut Creek School District Teacher and Rossmoor Resident
Angela Borchardt, Former Walnut Creek School District Board Member and BART Marketing and Research
Robert Stankus, Walnut Creek Business Owner

ARGUMENT AGAINST MEASURE D

None Filed.
FULL TEXT OF MEASURE D

EXHIBIT A

WALNUT CREEK SCHOOL DISTRICT

BOND PROJECT LIST

Bond funds will be used in combination with any other received State matching funds. The Walnut Creek School District will use bond funds for the following school facility improvement projects. All schools listed below will receive bond funds:

Buena Vista Elementary School
2355 San Juan Avenue

Indian Valley Elementary School
551 Marshall Drive

Murwood Elementary School
2050 Vanderslice Avenue

Parkmead Elementary School
1920 Magnolia Way

Tice Creek School
1847 Newell Avenue

Walnut Creek Intermediate School
2425 Walnut Boulevard

Walnut Heights Elementary School
4064 Walnut Boulevard

The Walnut Creek School District will use bonds funds to provide up to date classrooms, renovate athletic fields and related facilities, replace underground water sewer and gas lines, and replace old and inefficient electrical, lighting, heating, plumbing and ventilation systems. In addition, all schools are in need of updated instructional technology as well as ongoing repairs and renovations to keep the schools safe and secure.

School Bond Renovation and Modernization Projects

- Upgrade classroom electrical and network wiring to improve student access to computers and technology
- Upgrade classrooms and libraries to provide students with 21st Century schools
- Repair or replace aging roofs
- Replace security and fire alarm systems
- Upgrade and replace classroom lighting systems
- Improve the energy efficiency of classroom and school buildings
- Add solar energy systems
- Renovate or replace aging asphalt play areas and outdoor play structures to improve student safety
- Make all school areas fully accessible to students by completing additional ADA improvements
- Replace aging classroom desks, tables and other furniture
- Replace aging furniture in libraries and offices as needed
- Replace aging windows, flooring, carpeting and window coverings
- Upgrade staff kitchen areas
- Build or replace shade structures
- Upgrade athletic and play fields
- Replace old underground utilities including gas, water and sewer lines.
- Replace old heating, cooling, ventilation, electrical and plumbing systems.
- Add additional air conditioning
- Improve irrigation and hardscape
- Remodel computer labs and other rooms
- Add fencing
- Add additional parking

New Construction Projects

- Build new classrooms at Tice Creek School
- Build a new multi-purpose building at Tice Creek School
- Build a new performing arts theater at Walnut Creek Intermediate School
- Build a new gym at Tice Creek School
- Build a new library at Tice Creek School

Miscellaneous Projects

- Remove hazardous materials, such as asbestos, lead, etc., where necessary.
- Address unforeseen conditions revealed by construction/modernization (such as plumbing or gas line breaks, dry rot, seismic, structural, etc.).
- Other improvements required to comply with existing building codes, including the Field Act, and access requirements of the Americans with Disabilities Act.
- Necessary site preparation/restoration in connection with new construction, renovation or remodeling, or installation or removal of re-locatable classrooms, including removing, replacing, or installing irrigation, utility lines (such as gas lines, water lines, electrical lines, sewer lines, and communication lines), trees and landscaping.
- Rental or construction of storage facilities and other space on an interim basis, as needed to accommodate construction materials, equipment, and personnel, and interim classrooms (including re-locatable classrooms) for students and school functions or other storage for classroom materials displaced during construction.
• All work necessary and incidental to specific projects described above, including demolition of existing structures.
• Paint the interior and exterior of buildings.
• Repair and replace damaged and uneven paving and concrete.
• Provide classroom furniture and equipment as needed.
• Improve school building safety and security
• Improve District-wide technology and infrastructure
• Improve access to classroom/instructional technology.

For any bonds that the District issues to fund the acquisition of technology equipment or any other projects with a relatively short useful life, the District will certify at the time of issuance that the average maturity of the particular bond issue does not exceed the useful life of the projects being financed.

For any project involving modernization or renovation of a building or the major portion of a building, the District shall be authorized to proceed with new replacement construction if the Board of Trustees determines that replacement and new construction is economically more practical considering the building’s age, condition and other relevant factors.

The District will seek a waiver from the State Board of Education of the applicable bonding limit requirements of Section 15106 of the California Education Code if such a waiver is necessary to allow the District to issue bonds under this Measure.

* * *

The listed projects will be completed as needed. Each project is assumed to include its share of election and bond issuance costs, furniture, equipment, architectural, engineering, and similar planning costs, program management, staff training expenses and a customary contingency, and escalation for unforeseen design and construction costs. In addition to the listed projects stated above, the Project 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 Project List, 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 bond projects. 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, and other miscellaneous equipment and software.

The allocation of bond proceeds may 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 may 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. The final cost of each project will be determined as plans are finalized, construction bids 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 enhanced and operationally efficient campuses. Necessary site preparation/ restoration and landscaping, 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, redirecting fire access, and acquiring any necessary easements, licenses, or rights of way to the property.

Bond proceeds shall be expended only for the specific purposes identified herein. 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 the bond projects, but not for other administrator or teacher salaries. 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.

FISCAL ACCOUNTABILITY: IN ACCORDANCE WITH EDUCATION CODE SECTION 15272, THE BOARD OF EDUCATION WILL APPOINT A CITIZENS’ OVERSIGHT COMMITTEE AND CONDUCT ANNUAL INDEPENDENT AUDITS TO ASSURE THAT FUNDS ARE SPENT ONLY ON DISTRICT PROJECTS AND FOR NO OTHER PURPOSE. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. BY LAW, PERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS’ OVERSIGHT COMMITTEE TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS’ OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATION OF A BONA FIDE TAXPAYERS ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS ORGANIZATION. NO DISTRICT EMPLOYEES OR VENDORS ARE ALLOWED TO SERVE ON THE CITIZENS’ OVERSIGHT COMMITTEE.
Approval of Measure D does not guarantee that the proposed project or projects in the Walnut Creek School District that are the subject of bonds under Measure D will be funded beyond the local revenues generated by Measure D. 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.