

OUSD Agenda Item # 16-0598 Bond Project Measure J and B

OUSD Legislative File # 15-5024 dated Oct, 14, 2015 (attached)

Presented by: Hitesh Haria and Lance Jackson

- **Background:** This shows conchology of changes to the Original Measure J spending plan Exhibit A to the now Board approved spending plan exhibit C. Exhibit C also shows in column C – Measure “B” funds draw of 65million – Aug 2015 *(What is left in measure B? Explain what is happening/has happened with projects listed as unfunded in exhibit B?)*
- Measure J County Counsel Analysis: Third paragraph describes included and allowed under OUSD Measure J (attached)
- In ballot measure Submittal Form Question to Voters is “*repair bathrooms*”
- Full Text of Analysis references District Facilities Master Plan dated May 22, 2012. *Can staff please provide this Master Plan for our next CBOC meeting?*
 - (Measure J spending revised plan exhibit “C” changes allocation for bathroom renovation from original \$17,500 million to only spending \$5,049,489million – why?)
- Full Text of Analysis references District Facilities Master Plan dated May 22, 2012. *provide Master Plan to CBOC*
- Bond Project list (attached): Part I;
 - Improving School yards *How does district determine which sites to be paved, and when changing master projects list which ones get eliminated? How was the decision made to revise this budget from 18,2million to 6,186,715million in revised spending plan exhibit “C”?*
 - Constructing renovating and replacing school play-yards, educational gardens, tracks and fields *How does district prioritize projects? I.e., how does TECH girls softball field/track combo get considered as a project?.*
 - Increase utilization of under-used assets includes redevelopment of administrative sites or inactive school sites *Ask: Bond Counsel, does the law allow for 43million of Measure J to be used for new Marcus Foster ELC in revised spending plan exhibit “C”?*
 - reconfiguration of sites or parts of sites to house administrative functions *Ask: Bond Counsel, does the aw allows for Measure J to be used for new Marcus Foster ELC in revised spending plan exhibit “C”?*
 - Fremont Federation School (4610 Foothill) *How was the decision made to revise this budget from 114million to 82million in revised spending plan exhibit “C”?*

Part Bond Project List: Part II

- Roosevelt Middle School (1926 19th Ave) *How was the decision made to revise this budget from 20million to 1million in revised spending plan exhibit “C”?*

To Staff – Questions and requests

1. CBOC requests written response that changes to Bond Projects list for Measure J is OK by law. Reason for ask: In several other CA School Districts citizens have filed lawsuits citing listed were not accomplished/dropped of the list, or that additional projects went forward that were not in Bond projects list hat was passed by voters.
2. Explain what other decisions/changes have been to Measure J spending plan and the process.
3. On Measure B project detail – how much was spent in fiscal year 2014/2015.
4. Where in Master plan expenditure details are the project specific consultants for architects, inspectors and other shown.
5. Provide vendor invoicing detail for all Measure J and B consultants listed on Measure J – Consultant Expenditure Details dated 3/30/16. What does Object 5825 mean.
6. On March 30th expenditure report: What is fund 35?
7. Explain Bond program contingency and reason/how dollars are allocated.
8. Explain Bond program contingency and reason/how dollars are allocated.
9. Did District do any Bond fund transfers for the purpose of loans to other District programs in the fiscal 2014/2015. If so were the funds returned to Bond account in 2014/2015 fiscal year?

New Business – Status of Audits

1. Status of Performance and Financial Audits - by end of March 31st of each fiscal year.



CALIFORNIA LEAGUE OF BOND OVERSIGHT COMMITTEES

Email: Calboc1@aol.com • www.calboc.org

Accountability Requirements of Proposition 39

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Financial and Performance Audits

■ 1. ACCOUNTABILITY REQUIREMENTS

"Strict Accountability in Local School Construction Bonds Act of 2000" Education Code 15264:

- Vigorous efforts undertaken to ensure that expenditures are in strict conformity with Section 1 of Article XIII A of the CA Constitution.
- The members of the oversight committees alert the public to any waste or improper expenditure of bond money.

Article XIII A – Section 1 requires accountability requirements:

- Bond proceeds must be spent only on the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of schools, or the acquisition or lease of real property for school facilities.
- Bond proceeds must NOT be spent on teacher and administrator salaries and other school operating expenses.
- A list of the specific school facilities projects to be funded and certification that the school district board, community college board, or county office of education has evaluated safety, class size reduction, and information technology needs in developing that list.
- A requirement that the school district board, community college board, or county office of education CONDUCT AN ANNUAL, INDEPENDENT PERFORMANCE AUDIT to ensure that the funds have been expended only on the specific projects listed.
- A requirement that the school district board, community college board, or county office of education CONDUCT AN ANNUAL, INDEPENDENT FINANCIAL AUDIT of the proceeds from the sale of the bonds *until all those proceeds have been expended for the school facilities projects.*

Senate Bill 1473

- Requires school districts to perform the Financial and Performance audits in accordance using Generally Accepted Governmental Auditing Standards (GAGAS) issued by the Comptroller General of the United States, who heads up the U.S. Government Accountability Office (GAO).
- According to the GAO, "Performance audits entail an objective and systemic examination of evidence to provide an independent assessment of the performance and management of a program against objective criteria."
- GAGAS outlines several types of performance audits whereby the "Compliance Audit" appears to be the most appropriate. "Compliance Audits relate to the compliance criteria established by laws, regulations, contract provisions, grant agreements, and other requirements that could affect the acquisition, protection, use, and disposition of the entity's resources and the quantity, quality, timeliness, and cost of services the entity produces and delivers."

■ 1. ACCOUNTABILITY REQUIREMENTS, CONTINUED...

Senate Bill 423

- Requires that both the financial and performance audits for the preceding fiscal year be submitted to the CBOC by March 31st of each year.

GAGAS (Generally Accepted Governmental Auditing Standards) 8.30:

The auditor's report must include the following language:

"We conducted this performance audit in accordance with the generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives."

■ 2. UNDERSTANDING THE PERFORMANCE AUDIT

- Performance Audit approaches varies by auditing firm and by school district.
- Prior to the passage of SB 1473, many districts did not conduct Performance Audits pursuant to GAGAS, and instead engaged for "Agreed Upon Procedures".
- Agreed Upon Procedures are less reliable since the scope and work of the audit are dictated by the school district, rather than the auditor. Taxpayers should have no assurance that bond proceeds were spent in accordance with the law. (See AICPA procedures for attestation engagements.)
- The scope of the Performance Audit may not necessarily detect waste, abuse or fraud. Fraud, waste and abuse may be found in a forensic audit.

Reliance on the Performance Audit

- CBOCs should have a complete understanding of the audit objectives and work performed to determine how and to what extent they can rely on the auditors work.
- CBOCs should perform additional testing, where necessary for reporting purposes.
- Ultimately, the law requires CBOCs to report annually whether the district is in compliance with Section 1(b)(3)(A) of Article XIII A:

A requirement that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b) (3), and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

■ 3. PERFORMANCE AUDIT: SAMPLE QUESTIONS TO ASK THE AUDITOR

- **What are the audit objectives? Explain the scope of the Audit.**
 - How are the audit objectives and scope consistent with the required laws?
 - Explain any additions to the scope.
- **Did the Board, Superintendent, project management or any other related/interested party influence the scope of the audit or the work performed?**
 - If so, please explain.
 - What assurance can be provided to the CBOC that the auditor remained independent throughout the engagement? (e.g. Management Representation Letter)
- **What is the auditor's Definition of Materiality?**
 - What is the auditor's Definition of Significance?
 - How does the auditor measure materiality/significance?
 - What amounts/facts/circumstances would you consider immaterial? *(In making materiality judgments, auditors should make quantitative and qualitative considerations.)*
- **How did the auditor plan the audit?**
 - How did the auditor determine what work to be performed?
 - Describe the test procedures performed over key review areas.
- **How did the auditor identify risks and did they assess the existence and effectiveness of internal controls to mitigate such risks? For example, is their sufficient and proper segregation of duties?**
- **What is the auditor's responsibility for detecting fraud?**

What procedures were performed to detect fraud?
- **How did the auditor determine its audit sample?**

Was the sample random? What was the sample size?
- **What district policies and procedures were reviewed?**
 - For example, did the auditor consider whether the district was in compliance with its procurement/contract bidding policies and procedures?
 - Did the auditor review contract change orders?
- **For any aspect of the audit, did the auditor rely on another auditor's work?**
- **Did the auditor make site visits? Did the auditor verify inventory?**
- **Is there any pending or threatened litigation or arbitrations?**
- **Explain interfund transfers involving the "Building Fund".** (The Building Fund holds bond money to be used for projects. This is a restricted fund and should not be loaned out for other purposes.)
- **Where there any related party transactions?** Did the auditor perform any additional test procedures over those expenditures paid to vendors who contributed to the bond ballot measure?
- **Did the auditor review payroll to district employees working on project management?**
- **Did the auditor review the adequacy and accuracy of the accounting systems** used to track projects, budgets, financial reports, and other necessary reporting.
- **Did the auditor review all the contents of the Performance Audit?** If so, how did the auditor ensure district data shown in the performance audit is accurate and complete?
- Within the performance audit, identify data that is written by the auditor. For example, the audit report and written conclusions.

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE J

ANALYSIS BY THE COUNTY COUNSEL OF AN OAKLAND UNIFIED SCHOOL DISTRICT BOND MEASURE

Measure J, an Oakland Unified School District ("District") bond measure, seeks voter approval to authorize the District to issue and sell bonds of up to four hundred seventy-five million dollars (\$475,000,000.00) in aggregate principal amount. The primary purpose of the bonds is to finance school facilities projects as specified in the measure.

Pursuant to California Constitution Section 18 of Article XVI and Section 1 of Article XIII A and California Education Code Section 15274, this measure will become effective upon the affirmative vote of at least 55% of the qualified electors voting on this measure.

California Education Code Section 15100 restricts the use of the proceeds from the bonds sale to construction, reconstruction, rehabilitation or replacement of school facilities, and the acquisition of 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 projects outlined in the measure (reproduced in the sample ballot pamphlet) that include district-wide and site specific projects. The district-wide projects include, among others, repairing existing school sites, seismic retrofits, upgrading school facilities, and improving energy efficiency. The site-specific projects include similar improvements at specific schools throughout the district. Proceeds may not be used for any other purpose, such as administrator salaries.

If 55% of those who vote on the measure vote "yes", the District will be authorized to issue bonds of up to four hundred seventy-five million dollars (\$475,000,000.00). 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 these bonds in each year that the bonds are outstanding.

The Tax Rate Statement for Measure J 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 maximum tax rate required to be levied to fund the bonds after the sale of the first series is no more than 3.9¢ (three and nine-tenths cents) per \$100.00 (one hundred dollars), which is \$39.00 (thirty-nine dollars) per \$100,000.00 (one hundred thousand dollars), of the assessed valuation in fiscal year 2013-2014. The best estimate of the maximum tax rate required to be levied to fund the bonds after the sale of the last series is no more than 6¢ (six cents) per \$100.00 (one hundred dollars), which is \$60.00 (sixty dollars) per \$100,000.00 (one hundred thousand dollars), of the assessed valuation in fiscal year 2019-2020.

An independent citizens' oversight committee will monitor the bond expenditures.

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.

DONNA R. ZIEGLER
County Counsel

The above statement is an impartial analysis of Measure J, which is printed in full in this sample ballot pamphlet. If you desire an additional copy of the measure, please call the Elections Official's office at (510) 272-6933 and a copy will be mailed at no cost to you. You may also access the full text of the measure on the Alameda County website at the following address: www.acgov.org/rov/.



BALLOT MEASURE SUBMITTAL FORM

Official Use Only: Date Stamp

RECEIVED
Alameda County

JUL 30 2012

Reg. of Voters

BALLOT MEASURE QUESTION	
Jurisdiction Name: Oakland Unified School District	Election Date: November 6, 2012
<p>Note: The information as it appears within the measure question text box will be printed on the ballot.</p> <p>Insert ballot question text here:</p> <p>To improve the quality of Oakland schools and school facilities to better prepare students for college and jobs, to upgrade science labs, classrooms, computers and technology, improve student safety and security, repair bathrooms, electrical systems, plumbing and sewer lines, improve energy efficiency and earthquake safety, shall the Oakland Unified School District be authorized to issue \$475 million in bonds, with an independent citizens oversight committee and annual audits to guarantee funds are spent properly to benefit Oakland children?</p>	
PERCENTAGE NEEDED TO PASS	
Fifty-five (55%) Percent	
FULL TEXT OPTION	
Full Text to be printed in the Voter Information Pamphlet:	
<input checked="" type="checkbox"/> YES (note: must submit separate copy of Full Text along with this form)	
<input type="checkbox"/> NO	
AUTHORIZED REPRESENTATIVE	
Print Name: Edgar Rakestraw, Jr., Secretary of the Governing Board	Date: July 30, 2012
Signature: [Redacted]	
CONTACT INFORMATION (for office use)	CONTACT INFORMATION (for public)
Phone #: [Redacted]	Phone #: 510/879-8199
E-Mail: [Redacted]	E-Mail/Website: boe@ousd.k12.ca.us/http://www.ousd.k12.ca.us

ARGUMENT IN FAVOR OF MEASURE J

Measure J is about one thing: Improving the Quality of Oakland schools.

While there has been significant progress in the quality of our local schools over the past few years, the facts remain that many of Oakland's schools need improvement and not every Oakland child has a safe school and a well-functioning classroom.

The average age of Oakland schools is 71 years. Schools built years ago need significant updating; classrooms are inadequate, roofs need repair, plumbing and heating systems are deteriorating, and many classrooms have inadequate lighting, wiring and electrical outlets.

When repairs involve breaking through walls and ceilings, asbestos is often found, making even minor problems expensive to fix.

Measure J has been placed on the ballot to address the most pressing needs. Measure J will provide funding to upgrade classrooms, computer systems and science labs. Measure J insures that our schools have the facilities needed to provide career training and advanced courses in math, science and technology.

All money raised by Measure J will stay in our community to benefit Oakland children. No money can be taken by the state or used for other purposes. Cost of Measure J is tax deductible. Independent audits ensure money will be spent as promised. Measure J will help qualify our community for state matching funds, when available.

Among the projects that will be completed:

- Seismic upgrades of schools and classrooms to reduce danger from earthquakes
- Asbestos and lead paint removal
- Upgrade science labs, classrooms, computers and technology
- Repair bathrooms and unsafe playground areas
- Upgrade kitchen facilities to improve nutrition and nutritional education

Improving our local schools is essential for our children and to attract jobs and stimulate economic growth in Oakland. Business, labor, teachers, parents, principals, community and religious leaders are all supporting Measure J. Please vote YES on Measure J.

Argument In Favor of Measure J

Signers

1. Renee Swayne
Retired Teacher & Chair, Measure B Oversight Committee
2. Beverly Rivas
Executive Director, Oakland Builders Alliance
3. Jonathan Klein
Executive Director, Great Oakland Public Schools
4. Ruth Woodruff
Parent and Co-Founder, Oakland School Food Alliance
5. Jesus Nieto-Ruiz
Pastor

II. FULL TEXT OF THE MEASURE

BEGINNING OF FULL TEXT OF MEASURE----->>>>>

BOND AUTHORIZATION

By approval of this proposition by at least 55% of the registered voters voting on the proposition, the Oakland Unified School District (the "District") shall be authorized to issue and sell bonds of up to \$475,000,000 in aggregate principal amount to provide financing for the specific school facilities projects listed in the Bond Project List below, and in order to qualify to receive State matching grant funds, 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 District's voters and taxpayers may be assured that their money will be spent wisely 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 Education Code Sections 15264 and following).

Evaluation of Needs. The Board of Education hereby certifies that it has evaluated the facilities needs of the District, and the priority of addressing each of these needs. The results of the Board of Education's evaluation and its priorities are articulated in the District's Facilities Master Plan, adopted by the Board and dated May 22, 2012. In the course of its evaluation, the Board of Education took safety, class size reduction and information technology needs into consideration while developing the Facilities Master Plan and the Bond Project List.

Limitation on Use of Bond Proceeds. The State of California does not have the power to take locally approved school district bond funds for any State purposes. The Constitution allows proceeds from the sale of bonds authorized by this proposition to be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities listed in this proposition, 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. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff only when performing work on or necessary and incidental to the bond projects.

Independent Citizens' Oversight Committee. The Board of Education shall establish an independent Citizens' Oversight Committee (pursuant to Education Code Section 15278 and following), to ensure bond proceeds are spent only for the school facilities projects listed in the Bond Project List. The committee shall be established within 60 days of the date on which the Board of Education enters the election results on its minutes.

Annual Performance Audits. The Board of Education shall conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects listed in the Bond Project List.

Annual Financial Audits. The Board of Education shall conduct an annual, independent financial audit of the bond proceeds (which shall be separate from the District's regular annual financial audit) until all of those proceeds have been spent for the school facilities projects listed in the Bond Project List.

Special Bond Proceeds Account; Annual Report to Board. Upon approval of this proposition and the sale of any bonds approved, the Board of Education shall take actions necessary pursuant to Government Code Section 53410 and following 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 or the Deputy Superintendent, Business Services and Operations of the District (or such other employee as may perform substantially similar duties) shall cause a report to be filed with the Board no later than December 31 of each year, commencing December 31, 2012, stating (1) the amount of bond proceeds received and expended in that year, and (2) the status of any project funded or to be funded from bond proceeds. The report may relate to the calendar year, fiscal year, or other appropriate annual period as such officer shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

FURTHER SPECIFICATIONS

Specific Purposes. All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to Education Code Section 15100, and shall constitute the specific purposes of the bonds, and proceeds of the bonds shall be spent only for such purposes, pursuant to Government Code Section 53410.

Joint Use. The District may enter into agreements with the County of Alameda 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 Education shall determine.

Rate of Interest. The bonds shall bear interest at a rate per annum not exceeding the statutory maximum, payable at the time or times permitted by law.

Term of Bonds. The number of years the whole or any part of the bonds are to run shall not exceed the legal limit, though this shall not preclude bonds from being sold which mature prior to the legal limit.

BOND PROJECT LIST

The Bond Project List below describes the specific projects the Oakland Unified School District proposes to finance with proceeds of the bonds. Listed projects will be completed as needed at a particular school 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. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. Certain construction funds expected from non-bond sources, including State grant funds for eligible projects, have not yet been secured. Until all project costs and funding

sources are known, the Board of Education cannot determine the amount of bond proceeds available to be spent on each project, nor guarantee that the bonds will provide sufficient funds to allow completion of all listed projects. Completion of some projects may be subject to further government approvals by State officials and boards, to local environmental review, and to input from the public. For these reasons, inclusion of a project on the Bond Project List is not a guarantee that the project will be funded or completed. The Board of Education may make changes to the Bond Project List in the future consistent with the projects specified in the proposition.

Part I: District-wide authorization: the projects in this part are authorized to be completed at each or any of the District's sites, as shall be approved by the Board of Education. The examples under each project type do not form an exhaustive list.

- Construct, equip, furnish, repair and rehabilitate existing school sites to create a Full Service Community School District, including:
 - Dedicated space for early childhood development,
 - Private rooms for family counseling,
 - Childhood Development Centers,
 - Clinics for school health centers,
 - Expand and modify sites that accommodate more grade levels,
 - Improved community access to classrooms, auditoriums, multipurpose rooms, and other spaces,
 - Equip spaces for Science, Technology, Engineering and Math (STEM) programs.
- Enhance seismic safety, including:
 - Seismic retrofits.
- Upgrade and modernize school facilities, including mechanical, electrical and structural elements of permanent buildings, and improve safety, building performance, and accessibility including:
 - repairing, rehabilitating and acquiring HVAC systems, roofs, plumbing and electrical systems,
 - upgrading accessibility, improving or acquiring technology and technology infrastructure,
 - acquiring, replacing and upgrading security systems and fire alarm systems,

- removing portable classrooms and replacing them with permanent buildings,

- improving school grounds,

- renovating and/or constructing central, on-site, and community kitchens,

- constructing, renovating, and replacing school playgrounds, educational gardens, tracks and fields;

- constructing and repairing landscaping and paving, and installing improvements such as sun-shades.

- Improve energy efficiency, renewable power generation, and sustainability including:

- installation of photovoltaic panels,
- upgrading lighting, lighting technology, and other lighting control systems,
- install window shades, or daylighting enhancements,
- install / upgrade insulation,
- perform mechanical system repairs, replacements, and upgrades
- install and/or upgrade automatic control systems,
- remediate storm water impacts,
- other resource usage reduction initiatives, and
- reduce light pollution.

- Increase utilization of under-used assets, including :

- redeveloping administrative sites and inactive school sites,

- reconfiguring inactive school sites for alternative uses such as teacher housing, alternative academics, and training,

- reconfiguration of sites or parts of sites to house administrative functions, and

- optimizing active school sites to host community partners.

- Enhance seismic safety,
- Equip spaces for Science, Technology, Engineering and Math (STEM) programs.
- **Foster Elementary School** (2850 West Street)
 - Convert site into a central commissary including a central kitchen, a farm produce receiving and handling center, a demonstration farm, and a food education center,
 - Enhance seismic safety.
- **Fremont Federation School** (4610 Foothill)
 - Upgrade and modernize school facilities, including mechanical, electrical and structural elements of permanent buildings, and improve safety, building performance, and accessibility,
 - Turf field replacement,
 - Improve energy efficiency and renewable power generation, including the installation of solar panels,
 - Enhance seismic safety.
- **Glenview Elementary** (4215 La Cresta Avenue)
 - Remove portable classrooms and replace them with permanent buildings,
 - Enhance seismic safety.
- **Skyline High School** (12250 Skyline Blvd)
 - Upgrade and modernize school facilities, including mechanical, electrical and structural elements of permanent buildings, and improve safety, building performance, and accessibility,
 - Repair and improve paving on roads and paths on campus,
 - Turf field replacement,
 - Improve energy efficiency and renewable power generation, including the installation of solar panels,
 - Enhance seismic safety,

- Technological and facilities improvements to support student learning & instruction, including:
 - Acquiring, modernizing or replacing classroom and instructional technology required for 21st century student learning and teaching,
 - Upgrading and expanding classrooms, labs, and specialized facilities for career and vocational technology programs,
 - Constructing, rehabilitating and modernizing classrooms, labs, and specialized facilities for high school students, and
 - Upgrading, replacing, repairing or acquiring electrical capacity and aging wiring to support instructional technology.

Part II: Site-specific authorization: the following projects are authorized at the specific sites indicated below (and are supplemental to, and do not limit the authorization set forth in, Part I).

- **Washington Elementary School** (581 6st Street)
 - Expand and modify sites that accommodate more grade levels (K-8),
 - Upgrade and modernize school facilities, including mechanical, electrical and structural elements of permanent buildings, and improve safety, building performance, and accessibility,
 - Enhance seismic safety.
- **Roosevelt Middle School** (1926 19th Avenue)
 - Upgrade and modernize school facilities, including mechanical, electrical and structural elements of permanent buildings, and improve safety, building performance, and accessibility,
 - Improve energy efficiency and renewable power generation, including the installation of solar panels,
 - Enhance seismic safety.
- **McClymonds High School** (2608 Myrtle Street)
 - Upgrade and modernize school facilities, including mechanical, electrical and structural elements of permanent buildings, and improve safety, building performance, and accessibility,
 - Turf field replacement,
 - Improve energy efficiency and renewable power generation, including the installation of solar panels,

- Equip spaces for Science, Technology, Engineering and Math (STEM) programs.
- Webster Academy (8000 Birch Street)
 - Childhood Development Center replacement.
- Whittier Elementary School (6328 East 17th Street)
 - Expand and modify sites that accommodate more grade levels (K-8),
 - Remove portable classrooms and replace them with permanent buildings,
 - Enhance seismic safety.
- Sobrante Park Elementary School (470 El Paseo Drive)
 - Upgrade and modernize school facilities, including mechanical, electrical and structural elements of permanent buildings, and improve safety, building performance, and accessibility,
 - Enhance seismic safety.
- Madison Middle School (400 Capistrano Drive)
 - Expand and modify sites that accommodate more grade levels (6-12)
 - Construct sports complex.

Each project listed is assumed to include its share of costs of the election and bond issuance and other construction-related costs, such as construction management, architectural, engineering, inspection and other planning costs, legal, accounting and similar fees, independent annual financial and performance audits, a customary construction contingency, and other costs incidental to and necessary for completion of the listed projects (whether work is performed by the District or by third parties), including:

Remove, dispose of, and otherwise remediate hazardous materials, including asbestos, lead, etc., where necessary.

Address unforeseen conditions revealed by construction/modernization (including plumbing or gas line breaks, dry rot, seismic, structural, etc.).

Site preparation/restoration in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, demolition of existing structures, removing, replacing, or installing irrigation and drainage, utility lines (such as gas lines, water lines, electrical lines, sewer lines, and communication lines), trees and landscaping, relocating fire access roads, traffic lights and mitigation, and acquiring any necessary easements, licenses, or rights of way to the property.

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 relocatables) for students and school functions or other storage for classroom materials displaced during construction.

Acquisition of any of the facilities on the Bond Project List through temporary lease or lease-purchase arrangements, or execute purchase option under a lease for any of these authorized facilities.

Furnishing and equipping of existing and newly constructed, modernized or rehabilitated classrooms and facilities on an ongoing basis, including to replace worn, broken, or out-of-date furniture and equipment for all classrooms, athletic facilities and other facilities, as needed.

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

The Bond Project List shall be considered a part of this ballot proposition, and shall be reproduced in any official document required to contain the full statement of the bond proposition.

<<<<<-----END OF FULL TEXT OF MEASURE.

LEGISLATIVE FILE

File ID No. 15-2024
Introduction Date 10-14-15
Enactment No. _____
Enactment Date _____

OAKLAND UNIFIED SCHOOL DISTRICT
Office of the Board of Education
October 14, 2015

To: Board of Education

From: Antwan Wilson, Superintendent
By: Hitesh Haria, Chief Operations Officer
Lance Jackson, Interim Deputy Chief, Facilities Planning and Management

Subject: Expenditure Authorization / Measure J Bond / Second Series Issuance - In an Amount Not to Exceed \$180 Million to Fund Measure J New Construction and Modernization Projects

ACTION REQUESTED

Adoption of Resolution No. 1516-0016 authorizing the expenditure of the August 2015 second issuance of bond funds for Measure J new construction and modernization projects in accordance with the Measure J Bond Project List and the amended Measure J Spending Plan.

DISCUSSION

In November of 2012, the voters of Oakland authorized the issuance of up to \$475 million of general obligation bonds. In 2013, the Board authorized the first series of bonds of \$120 million to be issued under Measure J. On June 24, 2015 the Board authorized the second series of bonds of \$180 million to be issued under Measure J.

This resolution and related documents will authorize the expenditure of the second series issuance in a not-to-exceed amount of \$180 million in accordance with the Measure J Bond Project List and the amended Measure J Spending Plan and allow the District to continue to fund its capital facilities program projects over the next two years.

BACKGROUND

On April 9, 2014 the Facilities Department presented to the Board a comprehensive report on planned Measure J Facilities Projects and prioritization, Legislative File number 14-0653, entitled

"Draft Measure J Spending Plan." (A copy of the 2014 Draft Spending Plan is attached to the pending Resolution as Exhibit "A".)

On June 24, 2015, the Facilities Department presented to the Board Measure J projects and bond prioritizations, Legislative File number 15-1389, which included the 2014 Draft Spending Plan and a new, revised spending plan for Measure J Facilities Projects, entitled **"Draft Measure B & J Revised Plan"**. (A copy of the 2015 Revised Plan is attached to the pending Resolution as Exhibit "B".)

Since the August 2015 second series Measure J Bond issuance, the Measure J Spending Plan has been revised ("Revised 2015 Measure J Spending Plan ") to reflect the tax-exempt bond proceeds that will be used for construction projects approved by the Board and allowable under Measure J and the taxable bonds issued for interim housing while the Dr. Marcus Foster Educational Leadership Center is b u i l t . (A copy of the final Revised 2015 Measure J Spending Plan is attached to the pending Resolution as Exhibit "C".)

Staff is requesting that the Board authorize expenditures from the second series Measure J Bond issuance in an amount not to exceed \$180 million to Fund Measure J New Construction and Modernization Projects consistent with the previously presented 2014 "Draft Measure J Spending Plan" (Ex. "A") and 2015 "Draft Measure B & J Revised Plan" (Ex. "B"), and the final Revised 2015 Measure J Spending Plan (Ex. "C").

RECOMMENDATION

Adoption of Resolution No. 1516-0016 authorizing the expenditure of the August 2015 second issuance of bond funds for Measure J new construction and modernization projects in accordance with the Measure J Bond Project List and the amended Measure J Spending Plan.

ATTACHMENTS

Resolution No. 1516-0016

**BOARD OF EDUCATION
OF THE
OAKLAND UNIFIED SCHOOL DISTRICT**

**RESOLUTION AUTHORIZING THE EXPENDITURE OF THE AUGUST 2015 SECOND
ISSUANCE OF BOND FUNDS FOR MEASURE J NEW CONSTRUCTION AND
MODERNIZATION PROJECTS**

Resolution No. 1516-0016

WHEREAS, in November of 2012, the voters of Oakland authorized the issuance of up to \$475 million of general obligation bonds;

WHEREAS, in 2013, the Board authorized the first series of bonds of \$120 million to be issued under Measure J;

WHEREAS, on June 24, 2015 the Board authorized the second series of bonds of \$180 million to be issued under Measure J;

WHEREAS, by Resolution No. 1415-1183 the Board authorized the expenditure of the second series issuance in a not-to-exceed amount of \$180 million in accordance with the Measure J Bond Project List and the amended Measure J Spending Plan;

WHEREAS, on April 9, 2014 a comprehensive report on planned Measure J Facilities Projects and prioritization, entitled "Draft Measure J Spending Plan" was presented to the Board of Education for consideration, a copy of which is attached hereto and incorporated herein as Exhibit "A";

WHEREAS, on June 24, 2015 an updated report to the Board on Measure J Projects Facilities and bond prioritizations, was presented to the Board of Education and included the 2014 Draft Measure J Spending Plan and a revised spending plan for Measure J Facilities Projects entitled "Draft Measure B & J Revised Plan", a copy of which is attached hereto and incorporated herein as Exhibit "B";

WHEREAS, since the August 2015 second series Measure J Bond issuance, the Measure J spending plans have been further revised "Revised 2015 Measure J Spending Plan" to properly reflect the tax-exempt bond proceeds from the second series Measure J sale that will be used for construction projects approved by the Board and allowable under Measure J, and the taxable bond proceeds from the second series sale issued for interim housing while the Dr. Marcus Foster Educational Leadership Center is built, a copy of which is attached hereto and incorporated herein as Exhibit "C";

NOW, THEREFORE, BE IT RESOLVED that the Board of Education of the Oakland Unified School District hereby authorizes expenditure of the 2013 First Series Issuance of Bond Funds in an amount not to exceed \$120 million dollars and the August 2015 Second Series Issuance of Bond Funds in an amount not to exceed \$180 million dollars for Measure J New Construction and

Modernization Projects consistent with the Measure J Bond Project List and as specified on the Revised 2015 Measure J Spending Plan.

PASSED AND ADOPTED by the Board of Education the Oakland Unified School District, this 14th day of October, 2015, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

CERTIFICATION

I, Antwan Wilson, Secretary of the Board of Education of the Oakland Unified School District, Alameda County, State of California, do hereby certify that the foregoing Resolution was duly approved and adopted by the Board of Education of said district at a meeting thereof held on the 14th day of October, 2015, with a copy of such Resolution being on file in the Administrative Office of said District.

Antwan Wilson, Superintendent and
Secretary to the Oakland Unified
Board of Education

EXHIBIT A#14-0653
APRIL 9, 2014OAKLAND UNIFIED
SCHOOL DISTRICTCommunity Schools
Thriving Students**DRAFT MEASURE J SPENDING PLAN**

Location - Project	Legislative. #s	1st Draw, Oct 2013 - \$120M	2nd Draw, Aug 2015 - \$160MIL	3rd Draw, Aug 2017 - \$150MIL	4th Draw, Aug 2019 - \$45MIL	Project Cost
Board Approved Projects						
California Solar Initiative (CSI) Project	13-2767	\$ 40,250,000	project complete	n/a	n/a	\$ 40,250,000
Fremont High School - Replacement	12-1282	\$ 8,050,000	\$ 23,000,000	\$ 67,950,000	\$ 32,000,000	\$ 131,000,000
Central Kitchen/Commissary at Foster site	13-2840	\$ 8,050,000	\$ 27,950,000	project complete	n/a	\$ 36,000,000
Glenview Elementary School - Replacement	13-2844	\$ 6,900,000	\$ 39,100,000	project complete	n/a	\$ 46,000,000
Madison Grade Expansion Project	13-2854	\$ 5,750,000	\$ 25,300,000	project complete		\$ 31,050,000
School Kitchens - Phase I		\$ 3,175,000	\$ 4,600,000	project complete	n/a	\$ 7,775,000
Greenleaf Grade Expansion Project	13-2851	\$ 2,300,000	\$ 4,600,000	\$ 25,300,000		\$ 32,200,000
Sankofa Grade Expansion Project	13-2848	\$ 2,300,000	\$ 4,600,000	\$ 10,925,000		\$ 17,825,000
School Kitchens - Phase II				\$ 1,150,000	project complete	\$ 1,150,000
Roosevelt Modernization	11-0750	\$ 1,000,000	\$ 6,500,000	\$ 15,650,000		\$ 23,150,000
Subtotal		\$ 77,775,000	\$ 135,650,000	\$ 120,975,000	\$ 32,000,000	\$ 366,400,000
Energy and Technology						
Prop 39 Projects and Energy Efficiency		\$ 3,450,000	\$ 3,450,000	\$ 1,725,000		\$ 8,625,000
Technology and Common Core		\$ 2,150,000				\$ 2,150,000
Security Camera Projects		\$ 1,000,000				\$ 1,000,000
Technology infrastructure upgrades		\$ 2,400,000	\$ 2,400,000	\$ 2,400,000		\$ 7,200,000
Subtotal		\$ 9,000,000	\$ 5,850,000	\$ 4,125,000	\$ -	\$ 18,975,000
Deferred Maintenance Other Projects						
Paving and Infrastructure	13-2839 to 13-2842	\$ 6,555,000	\$ 1,150,000	\$ 8,775,000	\$ 4,485,000	\$ 20,965,000
Bathroom Renovations	13-2847, 13-2849	\$ 5,750,000	\$ 1,150,000	\$ 8,775,000	\$ 4,485,000	\$ 20,160,000
Deferred Maintenance	13-2843, 13-2850	\$ 3,800,000	\$ 3,900,000	\$ 3,900,000		\$ 11,600,000
Child Development Centers improvements		\$ 5,750,000	project complete	n/a	n/a	\$ 5,750,000
Turf Field Replacement- First two sites		\$ 2,645,000				\$ 2,645,000
Health Clinics - Oakland Tech		\$ 575,000			\$ 2,875,000	\$ 3,450,000
Turf Field Replacement- Next two sites		\$ -		\$ 3,000,000	project complete	\$ 3,000,000
Subtotal		\$ 25,075,000	\$ 6,200,000	\$ 24,450,000	\$ 11,845,000	\$ 67,570,000
Bond Program Contingency		\$ 4,600,000	\$ 8,500,000	\$ 7,800,000	\$ 1,155,000	\$ 22,055,000
		\$ 116,450,000	\$ 156,200,000	\$ 157,350,000	\$ 45,000,000	\$ 475,000,000

FACILITIES PLANNING AND MANAGEMENT

EXHIBIT B
FILE #15-1389
JUNE 24, 2015



REVISED 2015 MEASURE J SPENDING PLAN

Exhibit "C"

15-2024

FACILITIES PLANNING AND MANAGEMENT

	1st Draw, Oct 2013 \$120M	2nd Draw, Aug 2015 \$180M	B Draw, April 2017 \$65M	3rd Draw, Aug 2017 \$145M	4th Draw, Aug 2019 \$30M	Project Cost (Measure J)	Variance (Measure J)	Original Cost (Measure J)	% of Measure J
	A	B	C	D	E	F	G	H	I
Modernizations and New Construction									
1 California Solar Initiative (CSI) Project	\$ 35,000,000					\$ 35,000,000	\$ -	\$ 35,000,000	7.37%
2 Glenview Elementary School - Replacement	\$ 6,000,000	\$ 37,000,000				\$ 43,000,000	\$ 3,000,000	\$ 40,000,000	9.05%
3 Madison Grade Expansion Project (From 6-9 to 6-12)	\$ 3,000,000	\$ 24,000,000				\$ 27,000,000	\$ -	\$ 27,000,000	5.68%
4 Greenleaf Expansion Project (From K-5 to K-8)	\$ 9,500,000	\$ 30,500,000				\$ 40,000,000	\$ 12,000,000	\$ 28,000,000	8.42%
5 Sankofa Expansion Project (From K-5 to K-8)	\$ 2,000,000	\$ 5,000,000				\$ 7,000,000	\$ (8,500,000)	\$ 15,500,000	1.47%
6 Fremont High School - Replacement	\$ 5,050,000	\$ 3,000,000		\$ 73,950,000		\$ 82,000,000	\$ (32,000,000)	\$ 114,000,000	17.26%
7a Dr Marcus Foster Leadership Campus (ELC2)		\$ 7,000,000		\$ 36,000,000		\$ 43,000,000	\$ 43,000,000	\$ -	9.05%
7b ELC2 Interim Housing (Restricted Funds)		\$ 6,500,000				\$ 6,500,000	\$ 6,500,000	\$ -	1.37%
8 McClymonds HS Intensive Support Site		\$ 2,000,000	\$ 2,000,000			\$ 2,000,000	\$ 2,000,000	\$ -	0.42%
9 Castlemont HS Intensive Support Site		\$ 4,000,000				\$ 4,000,000	\$ 4,000,000	\$ -	0.84%
10 Brookfield ES Intensive Support Site		\$ 1,000,000	\$ 3,000,000			\$ 1,000,000	\$ 1,000,000	\$ -	0.21%
11 Frick MS Intensive Support Site		\$ 1,000,000	\$ 3,000,000			\$ 1,000,000	\$ 1,000,000	\$ -	0.21%
12 ISS General Fund			\$ 8,000,000			\$ -	\$ -	\$ -	0.00%
13 Central Kitchen	\$ 7,000,000	\$ 29,000,000	\$ 3,000,000			\$ 38,000,000	\$ 5,000,000	\$ 31,000,000	7.58%
14 Finishing Kitchens - Phase I	\$ 2,512,944	\$ 1,262,056	\$ 16,000,000			\$ 3,775,000	\$ (2,985,000)	\$ 6,760,000	0.79%
15 Finishing Kitchens - Phase II			\$ 13,000,000			\$ -	\$ (1,000,000)	\$ 1,000,000	0.00%
16 Roosevelt Modernization (Design Only)		\$ 1,000,000				\$ 1,000,000	\$ (19,000,000)	\$ 20,000,000	0.21%
Subtotal	\$ 70,062,944	\$ 152,262,056	\$ 48,000,000	\$ 109,950,000	\$ -	\$ 332,275,000	\$ 14,015,000	\$ 318,260,000	69.95%
Security Projects									
17 Security Camera Plan (Design Only)		\$ 500,000				\$ 500,000	\$ 500,000	\$ -	0.11%
18 Security Improvement at HS and at priority MS		\$ 2,000,000	\$ 4,000,000		\$ 1,000,000	\$ 3,000,000	\$ 2,000,000	\$ 1,000,000	0.63%
Subtotal	\$ -	\$ 2,500,000	\$ 4,000,000	\$ -	\$ 1,000,000	\$ 3,500,000	\$ 2,500,000	\$ 1,000,000	0.74%
Energy and Technology									
19 Prop 39 Projects and Energy Efficiency	\$ 1,700,000	\$ 1,500,000		\$ 3,715,000	\$ 1,710,000	\$ 8,625,000	\$ -	\$ 8,625,000	1.82%
20 Educational Technology		\$ 1,500,000	\$ 1,000,000	\$ 500,000		\$ 2,000,000	\$ 2,000,000	\$ -	0.42%
21 Technology and Common Core	\$ 2,400,000	\$ 2,400,000		\$ 2,400,000		\$ 7,200,000	\$ -	\$ 7,200,000	1.52%
22 Technology Infrastructure Upgrades	\$ 2,500,000		\$ 2,500,000	\$ -		\$ 2,500,000	\$ 400,000	\$ 2,100,000	0.53%
Subtotal	\$ 6,600,000	\$ 5,400,000	\$ 3,500,000	\$ 6,615,000	\$ 1,710,000	\$ 20,325,000	\$ 2,400,000	\$ 17,925,000	4.28%
Other Capital Improvements									
23 Paving and Infrastructure	\$ 6,186,715					\$ 6,186,715	\$ (12,013,285)	\$ 18,200,000	1.30%
24 Bathroom Renovations	\$ 5,049,489					\$ 5,049,489	\$ (12,450,511)	\$ 17,500,000	1.06%
25 Roofing Projects	\$ 764,647					\$ 764,647	\$ 764,647	\$ -	0.16%
26 Fruitvale ES Bleachers/Restrooms	\$ 1,300,000					\$ 1,300,000	\$ 1,300,000	\$ -	0.27%
27 Child Development Centers Improvements - Laurel				\$ 3,500,000		\$ 3,500,000	\$ (2,000,000)	\$ 5,500,000	0.74%
28 Health Clinics - Oakland Tech	\$ 2,500,000					\$ 2,500,000	\$ (500,000)	\$ 3,000,000	0.53%
29 Joaquin Miller ES Playstructure	\$ 89,198					\$ 89,198	\$ 89,198	\$ -	0.02%
30 Claremont MS Kitchen Fire		\$ 2,500,000	\$ 2,500,000			\$ 2,500,000	\$ 2,500,000	\$ -	0.53%
31 Science Classrooms and Labs		\$ 1,000,000		\$ 2,750,000	\$ 9,000,000	\$ 12,750,000	\$ 12,750,000	\$ -	2.68%
32 Playmatting and Playstructures		\$ 1,000,000		\$ 2,000,000	\$ 6,000,000	\$ 9,000,000	\$ 9,000,000	\$ -	1.89%
33 Manzanita ES Play Area	\$ 200,000					\$ 200,000	\$ 200,000	\$ -	0.04%
34 Bella Vista ES Portable Removal	\$ 600,000					\$ 600,000	\$ 600,000	\$ -	0.13%
35 Skyline HS Gym Roof	\$ 250,000					\$ 250,000	\$ 250,000	\$ -	0.05%
36 Furniture, Fixtures and Equipment (FF&E)		\$ 500,000		\$ 2,500,000		\$ 3,000,000	\$ 3,000,000	\$ -	0.63%
Subtotal	\$ 16,940,049	\$ 5,000,000	\$ 2,500,000	\$ 10,750,000	\$ 15,000,000	\$ 47,690,049	\$ 3,490,049	\$ 44,200,000	10.04%
Field Projects									
37a Turf Field Replacement - Skyline HS	\$ 2,535,000					\$ 2,535,000	\$ (110,000)	\$ 2,645,000	0.53%
37b Turf Field Replacement - Oak Tech HS Field		\$ 300,000	\$ 1,200,000			\$ 300,000	\$ 300,000	\$ -	0.06%
38 Turf Field Replacement - Castlemont HS & McClymonds HS				\$ 2,700,000		\$ 2,700,000	\$ -	\$ 2,700,000	0.57%
39 Carter @ Oakland International High School Turf Replacement	\$ 3,500,000					\$ 3,500,000	\$ 3,500,000	\$ -	0.74%
40 Burbank ES Site Improvements	\$ 2,750,000					\$ 2,750,000	\$ 2,750,000	\$ -	0.58%
41 Parker ES Astro Turf Installation	\$ 1,253,993					\$ 1,253,993	\$ 1,253,993	\$ -	0.26%
42 Scoreboard at Fields	\$ 100,000					\$ 100,000	\$ -	\$ -	0.02%
43 Middle School Fields		\$ 5,000,000	\$ 4,300,000			\$ 5,000,000	\$ 5,000,000	\$ -	1.05%
Subtotal	\$ 10,138,993	\$ 5,300,000	\$ 5,500,000	\$ 2,700,000	\$ -	\$ 18,138,993	\$ 12,693,993	\$ 5,345,000	3.82%
44 Deferred Maintenance						\$ -	\$ (11,600,000)	\$ 11,600,000	0.00%
45 Bond Program Contingency			\$ 1,500,000	\$ 3,120,000	\$ 1,790,000	\$ 4,910,000	\$ (17,145,000)	\$ 22,055,000	1.03%
46 Bond Program Coordination	\$ 16,258,014	\$ 9,537,944		\$ 11,865,000	\$ 10,500,000	\$ 48,160,958	\$ (6,454,042)	\$ 54,615,000	10.14%
	\$ 120,000,000	\$ 180,000,000	\$ 65,000,000	\$ 145,000,000	\$ 30,000,000	\$ 475,000,000	\$ (100,000)	\$ 475,000,000	100.00%

TOTAL 540,870,000

J & B MEASURE #

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