

**LOS GATOS-SARATOGA UNION HIGH SCHOOL DISTRICT
MEASURE E
PURCHASE OF COMPUTERS AND TECHNOLOGY**

A question has been raised regarding the purchase of computers and technology with Measure E Bond Funds. The first bond issuance included a sub-account for Technology of \$4M. This value matches the Program Summary that is issued to inform the community of the bond expenditure plan and expenses, last issued in the Board Study Session on 9/12/17.

Measure E Budget Allocation	% of Projects	% of Total	9-30-14 Budget Plan	2-3-15 Revisions	2-3-15 Updated Budget	3-29-16 Revisions	3-29-16 Updated Budget	9-27-16 Revisions	9-27-16 Updated Budget	9/5/17 BOC Expended to Date
Program Level Budgets										
Issuance expenses		0.91%	\$2,500,000	\$1,600,000	\$900,000		\$900,000		\$900,000	\$646,627
Program expenses		1.46%	\$2,000,000		\$2,000,000	\$550,000	\$1,450,000		\$1,450,000	\$707,335
Technology Fund		4.04%	\$4,000,000		\$4,000,000		\$4,000,000		\$4,000,000	\$517,513
Program Level										
Contingency		4.39%	\$3,800,000		\$3,800,000	\$550,000	\$4,350,000		\$4,350,000	
LGHS \$2,323,010										
SHS \$2,026,990										
Program Budget Totals		10.81%	\$12,300,000	\$1,600,000	\$10,700,000	\$0	\$10,700,000	\$0	\$10,700,000	\$1,871,475
Planned Project Budgets										
LGHS Planned Projects	53.40%	46.77%	\$46,300,000		\$46,300,000		\$46,300,000	\$854,441	\$47,154,441	9-12-17 Projection \$51,966,069
LGHS Contingency		0.86%		\$854,400	\$854,441		\$854,441	\$854,441	\$0	
SHS Planned Projects	46.60%	40.81%	\$40,400,000		\$40,400,000		\$40,400,000	\$745,559	\$41,145,559	\$42,532,208
SHS Contingency		0.75%		\$745,600	\$745,559		\$745,559	\$745,559	\$0	
Project Totals		89.19%	\$86,700,000	\$1,600,000	\$88,300,000	\$0	\$88,300,000	\$0	\$88,300,000	
Measure E Totals		100%	\$99,000,000	\$0	\$99,000,000	\$0	\$99,000,000	\$0	\$99,000,000	

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Please refer to the Board item below from September 25, 2014 detailing the bond proceeds and separation of funds. The financing was planned to separate the funds on taxable basis and maturity length, the Technology bonds mature at four (4) years and the building bonds mature at 30 years.

**Los Gatos-Saratoga
Union HSD**

Meeting: Regular Meeting : Report/Discussion (RD)

Created : September 25, 2014 at 10:28 AM

2. First Issue Series for Measure E (D)

September 30, 2014

Status: Draft

Discussion Item

QUICK SUMMARY/ABSTRACT

Discussion of First Issue Series for Measure E.

DISCUSSION

The enclosed documents are provide in form, concerning the first issuance and sale of the Measure E General Obligation Bonds. District administrative staff have developed construction cash flow projections and this first series is for \$41 million in construction costs and \$4 million for technology, as provided in Measure E. The Issues contains two series, Series A and Series A-1. Series A are not taxable bonds and Series A-1 are taxable, to enable the district to provide technology upgrades out into the future.

The cost of issues for this first series is estimated to be \$395,000.

The information tonight is presented for explanation and discussion, and for Board Action on October 21, 2014.

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The Board conferred with the community stakeholder groups and included computers and technology as part of the bond, which is reflected in the February 25, 2014 Board meeting minutes, excerpts listed below:

Regular Meeting
Los Gatos-Saratoga Jt. Un. HSD
February 25, 2014 4:30PM
4:30 p.m. LGHS Library
5:30 p.m. Los Gatos Town Council Chambers
110 E. Main Street, Los Gatos, CA 95030

12. Action Items (AI)

12.1. Resolution #13-19 - Ordering an Election - General Obligation Bond

PREPARED BY

Bob Mistele - Superintendent

Minutes:

Adopt Resolution No. 13-19: Ordering an Election, and Establishing Specifications of the Election Order

Public Comment:

- Ms. Toni Ditzler, Ms. Kris Lamson, Ms. Robin Mano, Ms. Cathie Thermond, Mr. Bill Gallmeister, Ms. Jennifer Straw, Ms. Dianne France, and Ms. Shelby Edwards expressed support for the propose bond measure.
- Ms. Michael Oliver expressed support for the bond and suggested increasing the amount.
- Mr. Phil Nielsen and Ms. Gail Long shared need for more information about proposed and past bond projects.

Mr. Mistele summarized process that brought us here and recognized Ms. Thermond and Ms. Mano for their work. Trustees expressed support for the bond, noting that our facilities is part of what makes our schools great and

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acknowledged the initial work already underway. In response to concerns about communication, Mr. Mistele noted that the Executive Summary - Facility Master Plan has been available on the website (posted in three locations) and that the list of potential projects is also included in Resolution #13-19, posted 72 hours prior to this board meeting; noted we could provide communication about current bond rate (1998 bond) and projects. Ms. Chang noted her work with Mr. Nielsen on the earlier bond and her respect for him.

RECOMMENDATION

Adopt Resolution No. 13-19: Ordering an Election, and Establishing Specifications of the Election Order

Actions:

Motion

Adopt Resolution No. 13-19: Ordering an Election, and Establishing Specifications of the Election Order

- Motion made by Michele van Zuiden and a seconded by Doug Ramezane.

Vote:

Yes Cynthia Chang.
Yes Doug Ramezane.
Yes Rosemary Rossi.
Yes Katherine Tseng.
Yes Michele van Zuiden.

QUICK SUMMARY/ABSTRACT

Resolution No. 13-19: Resolution of the Board of Trustees of the Los Gatos-Saratoga Union High School District Ordering an Election, and Establishing Specifications of the Election Order

DISCUSSION

The resolution calls an election within the District for the purpose of approving school bonds, to request the Santa Clara and Santa Cruz Counties Registrar of Voters to conduct the elections on behalf of the District, and to authorize the preparation of election materials including ballot arguments and tax rate statement, to be included in the ballot pamphlet.

State law requires the Board of Trustees to order school district elections. The Santa Clara and Santa Cruz Counties Registrar of Voters will conduct the elections on behalf of the District, including publishing all required notices. This resolution meets the statutory requirements for describing the projects to be funded with the proceeds of the bonds, which is included as Exhibit B to the resolution. A 75-word summary of the measure, as it will appear on the ballot, is also included in the resolution as Exhibit A. The resolution also authorizes the preparation and filing of a tax rate statement, which must be included in the ballot pamphlet, describing the anticipated rates of tax throughout the life of the bond issue. The resolution also authorizes, but does not commit, the Board of Trustees and/or individual members of the Board of Trustees to prepare and sponsor a ballot argument in support of the bond measure. No more than five (5) persons may sign the ballot argument.

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This election will be called under constitutional and statutory provisions that require fifty-five percent (55%) voter approval, and certain accountability requirements, including annual independent financial and performance audits of how funds are spent, and the formation of a Citizens? Bond Oversight Committee. Following adoption, the resolution (including the signed tax rate statement) must be delivered to the Registrar of Voters and the Board of Trustees of Supervisors. State law requires that 2/3rd of a school Board of Trustees support the resolution calling an election requiring 55% voter approval. At least four (4) Board of Trustees members must be present and vote ?Yes? in order to call the election.

Attachments:

Resolution 13-19 GO Bond

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Additional details of the Bond information and ballot language can be found in the Resolution #13-19 GO Bond, passed on 2/25/2014, except included below:

RESOLUTION NO. #13-19

EXHIBIT A

“To upgrade local schools with funding that cannot be taken by the State, shall Los Gatos-Saratoga Joint Union High School District make essential safety repairs, fix or replace leaky and aging roofs, keep schools clean and well-maintained, update science labs, classrooms and technology, prevent classroom overcrowding, renovate, construct, acquire classrooms, sites, equipment, facilities, by issuing \$99 million in bonds, at legal rates, with citizen oversight, annual independent audits, qualify for State matching funds, and no funds for administrator salaries?”

Section 3. That the purpose of the election shall be for the voters in the District to vote on a proposition, a copy of which is attached hereto and marked Exhibit “A,” incorporated by reference herein, and containing the question of whether the District shall issue the Bonds to pay for improvements to the extent permitted by such proposition. In compliance with Proposition 39 and the Act, the ballot propositions in Exhibits “A” and “B” are subject to the following requirements and determinations:

(a) the proceeds of the sale of the Bonds shall be used only for the purposes set forth in the ballot measure and not for any other purpose, including teacher or administrator salaries or other school operating expenses;

(b) that the Board, in establishing the projects set forth in Exhibit “B,” evaluated the safety, class size reduction, classroom, educational, and information technology needs of the District as well as the importance of the projects to student achievement and high quality instruction;

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EXHIBIT B

PROJECT LIST

The Board of Trustees of the Los Gatos-Saratoga Joint Union High School District is committed to safe clean and well-maintained schools with upgraded classrooms, science labs and classroom technology to keep pace with 21st century learning standards. To that end, the Board evaluated the District's urgent and critical facility needs, including safety issues, class size reduction and overcrowding, computer and information technology, enrollment trends and prepared a 2013 Preliminary Master Plan, the Executive Summary of which was presented to the Board on February 4, 2014 and a Technology Plan, presented to the Board on January 14, 2014 (together, the "Master Plans") which are incorporated herein in their entirety, in developing the scope of projects to be funded in a fiscally responsible manner. The District conducted a facilities evaluation and received public input through school site meetings, community presentations and interactive materials. Teachers, staff, parents, community members and the Board have prioritized the key health and safety needs so that the most critical facility needs are addressed. The Board concluded that if these needs are not addressed now, the problems will only become more pressing and expensive to address. **Therefore, in approving this Project List, the Board of Trustees determines that the District:**

- (i) **Must make ESSENTIAL SAFETY REPAIRS to classrooms, labs and other school facilities;**
- (ii) **Must keep schools SAFE, clean and well-maintained;**
- (iii) **Must fix leaky and aging roofs;**
- (iv) **Must update classrooms, science labs and educational technology for 21st Century learning;**

**District-Wide Instructional Technology, Academic Programs
and Vocational Training Projects
To Prepare Students for the 21st Century Careers**

Goals and Purposes: To ensure all students have access to up-to-date classrooms with updated classroom technology to allow our teachers and students to use current teaching methods and enhance instruction in core academic subjects like math, science and English and permit students to attend top colleges and compete for 21st Century careers:

- Provide and maintain up-to-date technology, data and communication equipment.
- Upgrade instructional technology in the classroom for improved student learning.
- Upgrade and expand wireless systems, telecommunications, Internet and network connections.
- Establish a classroom technology fund to keep our technology up-to-date and ensure local schools keep pace with advancing technology.
- Update science lab technology.

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The listed projects set forth above and in the Master Plan will be completed as needed. Each project is assumed to include its share of 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 as well as in the Master Plan, the Project List also includes the payment of the costs of preparation of all facility planning, facility assessment reviews, environmental studies, construction documentation, inspection and permit fees, and temporary housing of dislocated District activities caused by bond projects. The upgrading of technology infrastructure includes, but is not limited to, computers, projectors, portable interface devices, servers, switches, routers, modules, interactive white boards, hand held devices, sound projection systems, printers, document projectors, upgrade voice-over-IP, phone systems, call manager and network security/firewall, and other miscellaneous equipment. The repair of school facilities includes the construction, upgrading or replacing of school site parking, classrooms, multipurpose rooms, cafeterias, aging portable classrooms, campus accessibility, utilities, and grounds, physical education equipment and fields, hard court surfaces, shade structures for student assembly and protecting students from inclement weather during lunch, libraries, District support facilities; enhance signage; install fire sensors; replace damaged and unsafe gym bleachers and stadium stands, upgrade tennis courts; construct science labs, music and staff support rooms and restrooms; upgrade electrical wiring; athletic and play fields turf may be upgraded for safety and operational efficiency; solar power and water recycling and energy management systems; constructing new facilities and classrooms; renovate and paint interior and exterior building surfaces to extend their useful life; physical education facilities improvements, replace track and field; install sport field and tennis court lighting; acquire and install security, safety and communication systems and equipment; window and floor coverings (including tiles and carpeting), kitchen equipment, and upgrade irrigation systems and fitness center; relocate maintenance facility; make improvements and acquire furnishings and/or other electronic equipment and systems. The Project List also includes the refinancing of any