

MEASURE H

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

Upon approval of 55% of the votes cast by voters in an election, 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 Education of the Cupertino Union School District proposes issuing bonds in the amount of \$220 million. As identified in the measure, bond proceeds would be used to continue providing high quality education for local students by fixing leaky school roofs, upgrading earthquake and fire safety, removing potentially hazardous materials from old structures, keeping schools clean and well-maintained, updating science labs and educational technology, providing classrooms for student enrollment growth, and renovating, acquiring, constructing, equipping classrooms, sites and facilities.

Proceeds of the bonds could not be used for teacher and administrator salaries or other school operating expenses. The District would conduct annual performance and financial audits, and appoint an independent citizens' oversight committee to ensure bond proceeds are expended as promised and specified.

The District's best estimate of the tax rate to be levied to fund the proposed bond issue is \$29.00 per \$100,000 of assessed valuation during the first fiscal year after the sale of the first series of bonds and during the first fiscal year after the sale of the last series of bonds. The District's best estimate of the highest tax rate that would be required to be levied to fund the bond issue is \$29.00 per \$100,000 per fiscal year of assessed valuation.

A "yes" vote is a vote to authorize the issuance and sale of the bonds in the amount of \$220 million to be secured by the levy of ad valorem taxes on property located within the district.

A "no" vote is a vote not to authorize the issuance and sale of the bonds in the amount of \$220 million to be secured by the levy of ad valorem taxes on property located within the district.

Miguel Marquez
County Counsel

By: /s/Melissa Kiniyalocts

for Susan B. Swain
Lead Deputy County Counsel

COMPLETE TEXT OF MEASURE H

FULL TEXT BALLOT PROPOSITION OF THE CUPERTINO UNION SCHOOL DISTRICT BOND MEASURE ELECTION JUNE 5, 2012

The following is the full proposition presented to the voters by the Cupertino Union School District.

"To continue providing high quality education for local students by fixing leaky school roofs, upgrading earthquake/fire safety, removing potentially hazardous materials from old structures, keeping schools clean and well-maintained, updating science labs/educational technology, providing classrooms for student enrollment growth, and renovating, acquiring, constructing, equipping classrooms/sites/facilities, shall Cupertino Union School District issue \$220,000,000 in bonds at legal rates with citizen oversight, annual audits, no funds for administrators' salaries, all funds staying in local schools?"

PROJECT LIST

The Board of Education of the Cupertino Union School District evaluated the District's urgent and critical facility repair needs, including safety issues, enrollment trends, the desire to preserve neighborhood schools, class size, and computer and information technology, in developing the scope of projects to be funded. The District conducted a facilities evaluation and received public input and review in developing this Project List, and has prepared a Facilities Needs Assessment which was approved by the Board on December 12, 2011 and which is incorporated herein and on file in the Office of the Superintendent. Teachers, staff, 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. **Therefore, in approving this Project List, the Board of Education determines that:**

- (i) **all bond money must stay exclusively in our local community, under local control and cannot be taken away by the State; and**
- (ii) **in repairing aging schools, priority must be given to the basics, such as fixing leaky roofs, bathrooms, plumbing, and sewer lines; and**
- (iii) **priority should also be given to school and student safety by removing potentially hazardous materials from old school structures and improving earthquake and fire safety; and**
- (iv) **schools must be clean and well-maintained learning environments; and**
- (v) **schools must have the classrooms which accommodate a growing student enrollment with upgraded, up-to-date science labs and classroom technology to allow our students to excel in the 21st century economy; and**
- (vi) **the District must establish an independent Citizens' Oversight Committee and require annual independent audits to make sure all money is spent as authorized.**

COMPLETE TEXT OF MEASURE H - Continued

The Project List includes the following types of projects at the following school sites:

Abraham Lincoln Elementary School
Blue Hills Elementary School
C. B. Eaton Elementary School
Chester W. Nimitz Elementary School
Christa McAuliffe Elementary School
Cupertino Middle School
D. J. Sedgwick Elementary School
Dwight D. Eisenhower Elementary School
Garden Gate Elementary School
Joaquin Miller Middle School
John F. Kennedy Middle School
John Muir Elementary School
L. P. Collins Elementary School
Louis E. Stocklmeir Elementary School
Manuel De Vargas Elementary School
Montclair Elementary School
Murdock-Portal Elementary School
Nelson S. Dilworth Elementary School
R. I. Meyerholz Elementary School
Sam H. Lawson Middle School
Stevens Creek Elementary School
Warren E. Hyde Middle School
West Valley Elementary School
William Faria Elementary School
William Regnart Elementary School

Basic School Repairs and Upgrades

Goal and Benefits: To maintain high quality education at our neighborhood schools, schools will benefit from the renovation, repair and upgrade of aging classrooms and science labs, fixing leaking roofs and improving fire and earthquake safety systems, and up-to-date classroom technology, allowing all children have the resources they need to continue to excel:

- Replace existing water, sewer and plumbing systems.
- Make schools safe by removing potentially hazardous materials, such as asbestos and lead paint.
- Provide additional electrical service capacity to relieve overloaded electrical systems so that it can handle modern instructional technology.
- Replace older windows, ceilings, heating, ventilation, air conditioning and lighting systems with building code compliant, energy efficient systems which will save money on operating costs; remove dry rot.
- Provide improved, up-to-date computers and computer labs.
- Upgrade classrooms, science labs, libraries, computers and other learning technology so that our students are prepared to excel in the 21st century economy.

COMPLETE TEXT OF MEASURE H - Continued

- To accommodate a growing student enrollment, provide new classrooms and facilities.

Student Health and Safety, Earthquake Safety and Energy Efficiency Projects

Goal and Purpose: Since good, safe, clean, well-maintained and up-to-date schools help protect and improve local property values and reduce maintenance and operating costs returning more money to the classroom, schools and school sites will benefit from a variety of health and safety projects, such as:

- Upgrade earthquake safety.
- Upgrade fire alarm systems, improve fire safety equipment and fire exit doors to make students safer in the event of an emergency.
- Upgrade schools to meet accessibility requirements for students, teachers and staff with disabilities.
- Replace old and inefficient windows, lighting, irrigation, heating and ventilation systems which waste money and use the savings to prevent cuts to teacher and instructional programs.
- Install/replace/upgrade security fencing.
- Install energy efficient systems to save money and return the savings to the classroom.
- Upgrade emergency communication systems to improve student safety.

Instructional Technology Upgrades For Effective Student Learning

Goal and Purpose: To upgrade classroom computers and computer technology to allow our teachers and students to use up-to-date teaching methods so that our students are prepared to excel in the 21st century economy:

- Provide and maintain up-to-date technology, data and communication equipment.
- Upgrade and expand wireless systems, telecommunications, Internet and network connections.
- Upgrade and replace computers, hardware and software systems.
- Upgrade media and audio/visual equipment.

Adding Classrooms To Enhance Student Achievement

Goal and Purpose: To enhance educational programs and accommodate a growing student enrollment, schools would benefit from the expansion of additional earthquake and accessibility code compliant facilities, such as:

COMPLETE TEXT OF MEASURE H - Continued

- Add permanent and relocatable classrooms, multi-purpose/ assembly rooms and educational support facilities.
- Accessibility upgrades as mandated by the Division of the State Architect (DSA).
- Additional electrical service capacity to improve computer technology and internet access.

* * *

The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program 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 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, LCD projectors, portable interface devices, servers, switches, routers, modules, sound projection systems, phone system integration, Lan upgrades, document archiving, cabling infrastructure, laser printers, digital white boards, document projectors, upgrade voice-over-IP, call manager and network security/firewall, and other miscellaneous equipment and software. The construction and repair of school facilities includes the construction of auditorium, gym, upgrading school site parking, utilities, and grounds, kitchen upgrades, playground equipment, hard court and rubberized surfaces, libraries, multi-use buildings, two-story science classroom buildings, and District support facilities, athletic and play fields and turf may be upgraded (or expanded) for safety and operational efficiency, relocation of District office, acquisition of land, replace deteriorated walkways, upgrade bathrooms, drinking fountains, paint and floor coverings, door frames, and installation of solar panels. The Project List also includes the refinancing of any outstanding lease obligations or the bridge loans taken to initiate voter approved projects. 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

COMPLETE TEXT OF MEASURE H - Continued

District staff when performing work on or necessary and incidental to the bond projects. 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.

NO ADMINISTRATOR SALARIES: PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE USED ONLY FOR THE ACQUISITION, 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 SCHOOL ADMINISTRATOR SALARIES AND OTHER OPERATING EXPENSES.

**TAX RATE STATEMENT
CUPERTINO UNION SCHOOL DISTRICT
BOND MEASURE H**

To: The voters voting in the June 5, 2012 election on the question of the issuance of \$220,000,000 General Obligation Bonds of the Cupertino Union School District.

You are hereby notified in accordance with Section 9401 of the Elections Code of the State of California of the following:

1. The best estimate from official sources of the tax rate which would be required to be levied to fund principal and interest payments during the first fiscal year after the first sale of bonds (Fiscal Year 2012-2013), based on assessed valuations available at the time of the election and taking into account estimated future growth, is the following:

\$.02900 per \$100 of assessed valuation, which equates to \$29.00 per \$100,000.

2. The best estimate from official sources of the tax rate which would be required to be levied to fund principal and interest payments during the first fiscal year after the last sale of bonds and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election and taking into account estimated future growth, is as follows:

\$.02900 per \$100 of assessed valuation, which equates to \$29.00 per \$100,000.

First fiscal year after last sale of bonds: 2018-2019

3. The best estimate from official sources of the highest tax rate which would be required to be levied to fund principal and interest payments on the bonds and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election and taking into account estimated future growth, is as follows:

\$.02900 per \$100 of assessed valuation, which equates to \$29.00 per \$100,000.

Year of highest tax rate: Tax is projected to be the same every year.

The attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only. 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 date of sale and the amount of bonds sold at any given time will be determined by the District based on its 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 sale. Actual future assessed valuations will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process. Accordingly, the actual tax rates and the years in which such rates are applicable may vary from those presently estimated as above stated.

TAX RATE STATEMENT - Continued

Submittal of the foregoing statement has been approved by the Cupertino Union School District.

/s/ Phil Quon
Superintendent

ARGUMENT IN FAVOR OF MEASURE H

Vote YES on Measure H to continue top quality education in our local elementary and middle schools by repairing and upgrading aging classrooms, science labs and classroom technology to prepare students to excel in our 21st century economy.

Cupertino Union School District provides a high quality education for students in Cupertino and portions of Sunnyvale, San Jose, Santa Clara, Saratoga and Los Altos. Our award-winning schools have test scores that are top in the State, excellent teachers and strong academic programs.

Our schools are a source of community pride. Families continue to move to our neighborhoods due to the quality of education local schools provide, helping to protect all of our property values.

To continue providing a great education, our aging schools, science labs and leaking school roofs are in need of repairs and upgrades to provide a safe, modern learning environment for all students. To compete in our high-tech, 21st century world, students require updated technology and science labs. Additional classrooms are critical to accommodating a growing student enrollment.

Vote YES on H to continue top quality education in our community:

- Fix or replace leaky roofs
- Upgrade earthquake and fire safety systems
- Remove potentially hazardous materials from old school structures
- Keep schools clean and well maintained
- Update science labs, computers and educational technology
- Accommodate a growing student enrollment by providing additional classrooms

Measure H provides fiscal protections:

- Citizen oversight and annual audits will ensure all funds are spent as promised
- No funds can be used for administrators' salaries
- Not one penny of Measure H funds can be taken away by the State
- Measure H will qualify our schools for future state matching funds

ARGUMENT IN FAVOR OF MEASURE H - Continued

Local students work hard to achieve excellent results in school. You can help them continue to excel by joining parents, teachers, retirees, and local leaders in voting YES on Measure H!

/s/ Steve Ting
Community Leader, 25-Year Cupertino Resident

/s/ Dianne McKenna
Former Sunnyvale Mayor and Santa Clara County Supervisor

/s/ Julie Darwish
Active Parent Leader

/s/ Richard Lowenthal
Former Cupertino Mayor, Small Business Owner

/s/ Saraswathi Ranganathan
Middle School Science Teacher

NO ARGUMENT AGAINST MEASURE H WAS SUBMITTED