

**RIO BRAVO-GREELEY UNION ELEMENTARY SCHOOL DISTRICT
Kern County, State of California**

RESOLUTION NO. 07-10-03

**RESOLUTION CALLING FOR AN ELECTION AUTHORIZING THE ISSUANCE OF
GENERAL OBLIGATION BONDS OF THE DISTRICT AT AN ELECTION TO BE
HELD FEBRUARY 5, 2008**

WHEREAS, the Board of Trustees (the “Board”) of the Rio Bravo-Greeley Union Elementary School District (the “District”), within the County of Kern, California (the “County”), is authorized to order elections within the District for the purpose of considering, *inter alia*, bond measures to meet the ongoing capital improvement needs of the District, pursuant to the Constitution of the State of California (the “State”) and the Education Code of the State (the “Education Code”); and

WHEREAS, Section 18 of Article XVI and Section 1 of Article XIII A of the Constitution of the State and Section 15266 *et seq.* of the Education Code (collectively, “Prop 39”) provide for a methodology by which the District may call for an election and, upon approval by 55% or more of the qualified voters voting on the bond measure, issue its general obligation bonds and cause the County to levy an *ad valorem* property tax to pay debt service on said bonds; and

WHEREAS, this Board has determined it to be in the best interests of the District to call such an election under Prop 39, as further described herein; and

WHEREAS, this Board has determined that the election be conducted on February 5, 2008 (the “Election Date”) meets the consolidation requirements of the Education Code and any County or local measure or election may be consolidated with the statewide primary election then pending; and

WHEREAS, the Board wishes to specify the manner in which the District shall call a bond election on the Election Date and to demonstrate compliance with related requirements of the Constitution, the Education Code and the Elections Code of the State;

NOW, THEREFORE, be it hereby resolved, determined and ordered by the Board of Trustees of the Rio Bravo-Greeley Union Elementary School District as follows:

Section 1. Recitals. All of the foregoing recitals are true.

Section 2. Determination to Proceed under Prop 39. The provisions of Prop 39 shall control the administration of the election to consider the bond proposition of the District (the “Bond Proposition”), such that a favorable vote of no less than 55% of the qualified voters voting at the election shall constitute approval thereof, and the Board of Trustees of the District (the “Board”) hereby declares its intention to meet the pertinent requirements of Prop 39.

Section 3. Bond Proposition. This Board does hereby order and request that the Kern County Auditor-Controller-County Clerk (herein called the “Registrar”) call an election (in the performance of her duties and in the exercise of her power, alone, or with the assistance of the

Clerk of the County Board of Supervisors (the "County Clerk")) to consider the following proposition on February 5, 2008 (the "Bond Measure"), which constitutes the election order prescribed under California Education Code Section 15122 and Elections Code 13247:

"To improve the health, safety and education of our children by modernizing aging school facilities, minimizing lead and asbestos hazards, replacing unsafe or inadequate electrical, communications, fire alarm systems, heating and cooling systems, repairing plumbing and renovating restrooms, renovating and/or adding classrooms and other facilities, shall Rio Bravo-Greeley Union Elementary School District issue \$10.9 million in bonds at legal interest rates, with citizens' oversight to ensure expenditures are only for school improvements, with all money raised benefiting local children?"

The Registrar is hereby requested to reprint the foregoing Bond Measure in its entirety in the voter information pamphlet to be distributed to voters pursuant to Section 13307 of the Elections Code. Pursuant to Section 18, Article XVI and Section 1, Article XIII A of the Constitution of the State, the foregoing Bond Measure shall become effective upon the favorable vote of no less than 55% of those qualified voters voting on the proposition.

Section 4. Consolidation of Bond Election; Services of County. Pursuant to Section 1258 of the Education Code, the Superintendent of the District is hereby authorized to contract with the Registrar, who is hereby requested and authorized to perform such duties as may be required by law, necessary or useful, or customary and appropriate in the conduct of said Bond Election, including the consolidation of the Bond Election with the general primary election within the territory of the District being conducted on the Election Date.

The precincts, polling places for said precincts in the County, and persons appointed and designated to serve as election officers for said Bond Election will be those determined, designated, and appointed pursuant to state law by the Registrar of Voters. The County is hereby requested to tally and canvass the returns of the election, in accordance with Section 10411 of the Elections Code. The District agrees to reimburse the County for all services related to the Bond Election, such services to include the publication of the Formal Notice and a Tax Rate Statement (described in Section 9401 of the Elections Code) pursuant to the terms of 5363 of the Education Code and Section 12112 of the Elections Code.

Section 5. Approval of Project List; Accountability Safeguards. The District has developed a list of certain capital projects which are a priority in order to meet the obligations of the District to provide education to the children of its residents, which are more particularly identified on Exhibit A hereto, which is incorporated herein by this reference. Exhibit A is hereby certified by this Board as the Project List (the "Project List") for funding, either in whole or in part, with the proceeds of the Bonds. This certification of the Project List shall not be interpreted by and does not constitute an official approval of any listed project for the California Environmental Quality Act ("CEQA") or other purposes, but only as a statement of present intention of this Board. Furthermore, the listing of a capital improvement on the Project List does not imply any particular prioritization among such improvements, which remains the province of the Board by subsequent action. Notwithstanding the foregoing, only those acquisitions and other capital improvements included on the Project List may be funded, in whole or in part, with the proceeds of the Bonds. Additional moneys may be obtained for listed projects, in supplementation of the Bond proceeds, from any lawful source of moneys, including, without limitation, the proceeds of special taxes collected on behalf of the District from its existing community facilities district.

The Board hereby confirms that it has, in the development of the Project List appended hereto, evaluated and taken into consideration safety, class size reduction and information technology needs.

Pursuant to Section 15278 *et seq.* of the Education Code, within 60 days following the certification by this Board of the official results of the Bond Election by the County, this Board is required to appoint a Citizens Oversight Committee (the "Committee") to insure the District's compliance with the foregoing restrictions and to perform the duties established under the Education Code for such committees. If and when the official results of the Bond Election are certified by this Board, demonstrating that more than 55% of the qualified voters at the Bond Election voted to approve the Bond Measure, then this Board shall appoint the Committee as required by Prop 39. To assist the Committee in its statutory obligations, the District shall cause to be conducted an annual independent performance audit and an annual independent financial audit on the expenditure of Bond proceeds; the audits shall be performed under contract with appropriate persons or firms as shall be subsequently brought for approval before this Board. The financial audit may be consolidated with the annual audit of the District's financial statement and may be performed by the same accounting firm, without further approval by this Board.

The results of the annual audits performed hereunder shall be reported to the Board and to the Committee at least annually, and more often, if the Board shall so direct.

Section 6. No Administrators' or Teachers' Salaries to Be Paid from Bond Proceeds. In accordance with Prop 39, the Board hereby confirms that no administrators' or teachers' salaries shall be paid or reimbursed, in whole or in part, from Bond proceeds, nor shall such proceeds be used to pay any other operating expenses of the District. Notwithstanding the foregoing, costs of administering the Bond Election and costs of issuance of the Bonds shall be lawful charges against Bond proceeds.

Section 7. Other Terms of the Bonds. Terms of each series of Bonds issued following the Bond Election shall be established at the time of sale thereof, based on then-prevailing market conditions. The Bonds shall bear or accrete interest at rates not to exceed the legal maximum, presently being 12% per annum, and shall mature and be paid at various dates no later than 40 years following their date of issuance. The Bonds may be sold at a premium or discount consistent with law and shall be sold pursuant to negotiated sale.

Section 8. Delivery of Order of Election. The Clerk of the Board is hereby directed to deliver, no later than November 9, 2007, which is a date no less than 88 days prior to the date of the Bond Election, one certified copy of this Resolution to the Registrar, together with the Tax Rate Statement to be prepared by the District's Underwriter (appointed below) and executed by the Superintendent of the District, and shall file a certified copy hereof with the Clerk of the Board of Supervisors of the County.

Section 9. Ballot Arguments. The members of the Board, or any one member or group thereof, are hereby authorized, but not directed, to file a formal Argument in Favor of the Bond Measure given above, with the Registrar within the time limits established for such arguments by the Registrar.

Section 10. Retention of Consultants. The District hereby confirms the hiring of consultants to provide for special services in connection with the proposed issue(s) of Bonds

which may be authorized at the Election, to wit, (i) the law firm of Fulbright & Jaworski L.L.P, as Bond Counsel to the District (“Bond Counsel”) and (ii) the underwriting firm of Stone & Youngberg LLC (the “Underwriter”), upon conditions as may be set forth in the respective fee agreements heretofore negotiated and executed on behalf of the District by the Superintendent. Payments of the fees and expenses of Bond Counsel and the Underwriter shall be paid from the proceeds of the Bonds of the District which may be authorized following a successful Bond Election, and not otherwise, unless this Board shall take further action.

Section 11. Reimbursement of Qualified Project Expenditures. The Board presently intends and reasonably expects to have tax-exempt obligations (the “Obligations”) issued on its behalf within 18 months of the date of the expenditure of moneys on the Projects outlined in the foregoing Bond Measure or the date upon which a Project is placed in service or abandoned, whichever is later (but in no event more than 3 years after the date the original expenditure of such moneys is paid), and to allocate an amount not to exceed 10% of the proceeds thereof to the reimbursable expenditures in connection with the Project, as may be qualified under the provisions of Section 1.150-2 of the Treasury Regulations of the Internal Revenue Service (the "Reimbursable Expenditures"). All of the Reimbursable Expenditures covered by this Resolution were paid not earlier than 60 days prior to the date of this Resolution. The Board intends to allocate within 30 days after the date of issue of the Obligations the proceeds therefrom to reimburse the District for the Reimbursable Expenditures. With respect to the proceeds of the Obligations allocated to reimburse the District for prior expenditures, the Board hereby covenants not to employ an abusive device under Treasury Regulation Section 1.148-10, including using within one year of the reimbursement allocation, the funds corresponding to the proceeds of the Obligations in a manner that results in the creation of replacement proceeds, as defined in Treasury Regulation Section 1.148-1, of the Obligations or another issuer of tax-exempt obligations.

The above provision is made solely for the purpose of establishing compliance with the requirements of said Section 1.150-2 of the Treasury Regulations. This provision does not bind the District or the Board to make any expenditure, incur any indebtedness, or proceed with the financing, acquisition or construction of the Project.

Section 12. Ratification. All actions heretofore taken by the officers, or their respective designees, employees and agents of the Board and the District in connection with the financing of the facilities on the Project List are hereby ratified and confirmed. The officers and their designees, the employees and agents of the Board and the District are hereby authorized to take any and all actions in connection with the financing of said facilities and as may be necessary and consistent with the purposes of this Resolution.

Section 13. Authorization of Further Acts. The members of this Board, the Superintendent, any assistant thereto, and all other staff or officers of the District are hereby authorized and directed, individually and collectively, to do any and all things necessary or advisable in order to effectuate the purposes of this Resolution.

Section 14. Effective Date. This Resolution shall take effect immediately upon its adoption by the Board.

PASSED AND ADOPTED this 31st day of October, 2007, by the Board of Trustees of Rio Bravo-Greeley Union Elementary School District, at Bakersfield, California, by the following vote:

AYES: Members: Hogg, Pacini, Whittington, Williams

NOES: Members: _____

ABSENT: Members: Pavletich

ABSTAIN: Members: _____

By: _____
President, Board of Trustees

EXHIBIT “A”
PROJECT LIST

The District intends to use the proceeds of the Bonds to modernize, acquire, repair, renovate, construct, furnish and/or equip the oldest buildings of its existing schools, various classrooms, library, gymnasium, administrative and staff support spaces, and restrooms, and will finance or refinance, upon voter approval, the following projects which include, but are not limited to:

1. Modernize classrooms.
2. Upgrade existing fire alarms.
3. Upgrade existing emergency communication/phone system.
4. Add air conditioning in classrooms and other District buildings.
5. Begin removal and remediation of materials identified in the District’s Asbestos Management Plan.
6. Remove lead from classrooms and other District buildings.
7. Add insulation in classrooms and other District buildings.
8. Upgrade the electrical system to accommodate the current project and future planned improvements by replacing the existing main electrical load center and sub-panels, and adding additional panels, conduit and wiring.
9. Upgrade plumbing (water/sewer/gas).
10. Remodel, renovate and upgrade the plumbing and replace plumbing fixtures in student and staff restrooms, showers and locker rooms.
11. Convert a storage room to a girls’ restroom.
12. Convert the two student restrooms in the old Kindergarten Classroom into Staff Restrooms.
13. Acquire a new school site.
14. Replace doors, door frames and hardware.
15. Replace windows, lighting, flooring, marker boards, chalkboards, tack boards, cabinetry and roofing.
16. Divide and convert a storage room into a classroom, staff workroom and break room.
17. Reconfigure the administration spaces to provide separate reception areas for students and the public, enlarge the Nurses’ room, and add additional conference rooms and toilet rooms.
18. Reconfigure existing ramps and add new ramps and handrails to comply with Americans with Disabilities Act (“ADA”) accessibility requirements; Replace classroom sinks with accessible sinks.
19. Install new T-bar ceilings.
20. Paint all existing facilities.
21. Convert the Shop into a “Special Needs” center.
22. Provide temporary housing for students while classrooms are under construction, including the purchase of portable classrooms for Rio Bravo Elementary School and Rio Bravo-Greeley School.