

**BOARD OF EDUCATION
PASADENA UNIFIED SCHOOL DISTRICT
PASADENA, CALIFORNIA**

Topic: APPROVAL OF RESOLUTION NO. 2601 OF THE BOARD OF EDUCATION OF THE PASADENA UNIFIED SCHOOL DISTRICT DESIGNATING A CITIZENS' BOND OVERSIGHT COMMITTEE FOR MEASURE O AND MEASURE TT, AND APPROVING AMENDED AND RESTATED BYLAWS THEREFOR

<p>RECOMMENDATION: The Governing Board of the Pasadena Unified School District approves Resolution No. <u>2601</u> Designating a Citizens' Bond Oversight Committee for Measure O and Measure TT, and approving the amended and restated Bylaws.</p>

District Priority/Strategy: To ensure a clean, safe, and orderly environment that supports learning.

I. BACKGROUND

On November 3, 2020, a proposition for the issuance of general obligation bonds of the Pasadena Unified School District ("District") in the amount of \$516,300,000 was approved by more than 55% of the voters voting on the measure ("Measure O"). Education Code Section 15278 provides that the governing board of a school district shall establish and appoint members to an independent citizens' oversight committee, within 60 days of the date that the governing board enters the election results on its minutes. The Board of Education previously established an independent citizens' bond oversight committee ("Committee") in connection with issuance of bonds under its Measure TT. The instant Resolution expands the role of the original the Measure TT Committee to serve as the Committee for Measure O and Measure TT, amends and restates the Bylaws for the Committee to make them applicable to Measure O and Measure TT, and rescinds the previous Bylaws of the Committee. As of March 2, 2021 the COC Bylaws were amended and will need to be approved via Resolution No. 2601

II. STAFF ANALYSIS

Staff recommends approval of Resolution No. 2601 Resolution of the Board of Education of the Pasadena Unified School District designating a citizens' bond oversight committee for Measure O and Measure TT, and approving amended and restated bylaws therefor

Attachments: Resolution 2601

Application for Independent Citizens' Oversight Committee
Citizens' Oversight Committee amended Bylaws

III. FISCAL IMPACT

Because the Education Code prohibits the use of bond funds for the support of the Committee, there may be a fiscal impact to the General Fund resulting from the District's support of the Committee.

Pasadena Unified School District

Board of Education Agenda:

March 11, 2021

Submitted by: _____

Leslie Barnes

Leslie Barnes, Ed.D, Chief Finance & Operations Officer

Funding title/code:

Name: TBD

String: TBD

Approved:

Brian O. McDonald, Ed.D.
Superintendent

Originated by: Leonard Hernandez, Jr., Director of Facilities, Maintenance, Operations and
Transportation

PASADENA UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 2601

RESOLUTION OF THE BOARD OF EDUCATION OF THE PASADENA UNIFIED SCHOOL DISTRICT DESIGNATING A CITIZENS' BOND OVERSIGHT COMMITTEE FOR MEASURE O AND MEASURE TT, AND APPROVING AMENDED AND RESTATED BYLAWS THEREFOR

WHEREAS, the Board of Education of the Pasadena Unified School District (the "District") previously adopted a resolution requesting the Registrar of Voters of Los Angeles County (the "County") to call an election for general obligation bonds (the "Bond Election") to be held on November 3, 2020; and

WHEREAS, notice of the Bond Election has been duly given and on November 3, 2020, a measure for the issuance of bonds of the District in the amount of \$516,300,000 ("Measure O") was approved by more than 55% of the voters voting on Measure O; and

WHEREAS, Education Code Section 15278 provides that the governing board of a school district shall establish and appoint members to an independent citizens' oversight committee, within 60 days of the date that the governing board enters the election results on its minutes; and

WHEREAS, the Board of Education of the District (the "Board") has established an independent citizens' bond oversight committee in connection with issuance of bonds under Measure TT, and the Board desires that such committee perform the same oversight responsibilities for Measure O; and

WHEREAS, the Board of Education has previously approved Bylaws governing such committee but now desires to amend and restate such Bylaws, in whole, to make them applicable to Measure O and Measure TT.

NOW, THEREFORE, THE BOARD OF EDUCATION OF THE PASADENA UNIFIED SCHOOL DISTRICT DOES HEREBY FIND, DETERMINE AND CERTIFY AS FOLLOWS:

Section 1. **Authorization.** Measure O was authorized pursuant to paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution and subdivision (b) of Section 18 of Article XVI of the California Constitution in accordance with the requirements of the Strict Accountability In Local School Construction Bonds Act of 2000 (the "Act").

Section 2. **Empowerment of Committee.** The District's Measure TT Independent Citizens' Bond Oversight Committee (the "Committee") is hereby designated to serve as the independent bond oversight committee for Measure O and Measure TT for the purposes set forth in the Act.

Section 3. **Bylaws.** The Committee shall operate pursuant to the Board-approved Amended and Restated Bylaws. The Committee shall have only those responsibilities granted to it in the Act and in the Amended and Restated Bylaws. The Amended and Restated Bylaws, as submitted

herewith and attached hereto, are hereby approved. The previous Bylaws relating to Measure TT is rescinded and of no further force and effect.

Section 4. **Other Actions.** Officers of the Board and members of the Committee are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

ADOPTED, SIGNED AND APPROVED this 11th day of March, 2021.

BOARD OF EDUCATION OF THE PASADENA
UNIFIED SCHOOL DISTRICT

President

ATTEST:

Secretary

**PASADENA UNIFIED SCHOOL DISTRICT
APPLICATION FOR INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE**

The Board of Education of the Pasadena Unified School District (the "District") is seeking qualified, interested individuals to serve on a committee of community leaders which will serve as the Independent Citizens' Oversight Committee ("COC") for the implementation of the District's Measure O facilities bond program.

Proposition 39 Bond Elections

On November 4, 2008, voters residing within the District passed Measure TT ("Measure TT").

On November 3, 2020, voters residing within the District passed Measure O ("Measure O"). Measure O is a \$516,300,000 bond measure that authorizes funding for needed school repairs, upgrades, and new construction projects throughout the District.

Measure O and Measure TT are collectively referred to as the "Measures".

Establishment of a Citizens' Oversight Committee

After a bond authorized under Proposition 39 is passed, California law requires that the District's Board of Education appoint an Independent Citizens' Oversight Committee to work with the District.

Committee Responsibilities

In accordance with Education Code Section 15278(b), the Citizens' Oversight Committee shall:

- Inform the public concerning the District's expenditure of bond proceeds of the Measures;
- Review expenditure reports produced by the District to ensure that the Measures' bond proceeds were expended only for the purposes set forth in the Measures; and
- Present to the Board of Education in public session, an annual written report outlining their activities and conclusions regarding the expenditure of bond proceeds of the Measures.

The Bylaws which govern the Independent Citizens' Oversight Committee are attached to this Application. Applicants should read the Bylaws before completing this Application.

Appointment of Committee Members

All appointments will be made by the Board of Education from applications submitted to the District. The Committee shall consist of at least seven (7) members appointed by the Board from a list of candidates submitting written applications, and based on criteria established by Prop 39, to wit:

- One (1) member shall be a parent or guardian of a child enrolled in the District.
- One (1) member shall be both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization, such as the P.T.A. or a school site council.

- One (1) member active in a business organization representing the business community located in the District.
- One (1) member active in a senior citizens' organization.
- One (1) member active in a bona-fide taxpayers association.
- Two (2) members of the community at-large.

Time Commitment and Term

Initial appointments will be staggered, such that some of the initial appointees will be appointed to serve one full three-year term. The other initial appointments will serve a two-year term. All members will be eligible for reappointment by the Board for a second and third consecutive three-year term.

Would You Be Interested in Serving?

If you wish to serve on this important committee, please review the Committee Amended and Restated Bylaws for more information about the committee's role and responsibilities and complete the attached application. In submitting the attached application, you represent that you have read, understand and agree to follow the Committee Bylaws. Completed applications should be sent to Pasadena Unified School District by 4:30 PM on _____, 2021.

Pasadena Unified School District
351 S. Hudson Avenue, Pasadena, CA 91109
Tel: (626) 396-3600
Email: barnes.leslie@pusd.us

I would be able to represent the following constituencies in the District: *(check all that apply)*

Business Representative – Active in a business organization representing local business
Organization: _____

Senior Citizen Group Representative – Active member in a senior citizens’ organization.
Organization: _____

Taxpayer Organization Member – Active in a bona fide taxpayers’ association.
Organization: _____

Parent/Guardian of Student enrolled in the District.
Name: _____
School Student Attends: _____

Parent/Guardian of Student enrolled in the District and Active in Student/Teacher Organization
Name: _____
School Organization: _____

At-Large Community Member – Resident of the Pasadena Unified School District.
Name: _____

Please note any additional information you feel should be considered as part of your application:

	YES	NO
1. Are you an employee of the District?*		
2. Are you a vendor, contractor, or consultant to the District?*		
3. Do you have conflicts that would preclude your attending meetings?		
4. Do you know of any reason, such as a potential conflict of interest, which would adversely affect your ability to serve on the Independent Citizens’ Oversight Committee?*		
5. Are you willing to comply with the ethics code included in the Bylaws?		
6. Have you read, understand, and agree to adhere to the Bylaws as written?		

(*Employees, vendors, contractors, and consultants of the District are prohibited by law from being members of the Citizens’ Oversight Committee. Employment which could result in becoming a contractor or subcontractor to the district would also be a potential conflict.)

Signature of Applicant

All answers and statements in this document are true and complete to the best of my knowledge.

Signature _____ Date _____.

Completed applications must be received at

Pasadena Unified School District

351 S. Hudson Avenue, Pasadena, CA 91109

or emailed to barnes.leslie@pusd.us

no later than at 4:30 pm, _____, 2021. If you have any questions, please call Pasadena Unified School District at **(626) 396-3600.**

It is the policy of the Pasadena Unified School District not to unlawfully discriminate on the basis of sex, sexual orientation, gender, ethnic group identification, race, ancestry, national origin, color, religion, marital status, age or mental or physical disability in the educational programs or activities which it operates.

Amended and Restated Bylaws

[Insert]

**PASADENA UNIFIED SCHOOL DISTRICT
INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE
AMENDED AND RESTATED BYLAWS**

Section 1. Committee Established. The Pasadena Unified School District (the "District") was successful at the election conducted on November 4, 2008 (the "2008 Election") in obtaining authorization from the District's voters to issue up to \$350,000,000 aggregate principal amount of the District's general obligation bonds ("Measure TT"). The District was also successful at the election conducted on November 3, 2020 (the "2020 Election", and together with the 2008 Election, the "Elections") in obtaining authorization from the District's voters to issue up to \$516,300,000 aggregate principal amount of the District's general obligation bonds ("Measure O", and together with Measure TT, the "Measures").

The Elections were conducted under paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, and subdivision (b) of Section 18 of Article XIII A of the California Constitution, being chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, in Education Code Section 15264 *et seq.* (collectively, "Prop 39"). Pursuant to Education Code Section 15278, the District is obligated to establish an Independent Citizens' Bond Oversight Committee in order to satisfy the accountability requirements of Prop 39. The Board of Education of the District (the "Board") has previously established an Independent Citizens' Bond Oversight Committee (the "Committee") in connection with Measure TT. Pursuant to a separate resolution, the Board has elected to modify the role of the existing Committee and charge the Committee with responsibility for reviewing expenditures of bond proceeds pursuant to both Measure O and Measure TT. The Committee shall have the duties and rights set forth in these Amended and Restated Bylaws (these "Bylaws"). The Committee does not have legal capacity independent from the District.

Section 1. Purposes. The purposes of the Committee are set forth in Prop 39 and Education Code Section 15278 *et seq.*, and these Bylaws are specifically made subject to the applicable provisions thereof as to the duties and rights of the Committee. The Committee shall be deemed to be subject to the *Ralph M. Brown Public Meetings Act* of the State of California and shall conduct its meetings in accordance with the provisions thereof. The District shall provide necessary administrative support to the Committee as shall be consistent with the Committee's purposes, as set forth herein.

The proceeds of general obligation bonds issued pursuant to the Elections are hereinafter referred to as "bond proceeds." The Committee shall confine itself specifically to bond proceeds generated under the Measures. Regular and deferred maintenance projects and all monies generated under other sources shall fall outside the scope of the Committee's review. However, to the extent that facilities are financed with a combination of the Measures' monies and other non-bond funds, such projects shall be subject to Committee oversight and review.

Section 2. Duties. To carry out its stated purposes, the Committee shall perform only the duties set forth in Sections 3.1, 3.2, and 3.3 hereof, and shall refrain from those activities set forth in Sections 3.4 and 3.5.

2.1 **Inform the Public.** The Committee shall inform the public concerning the District's expenditure of bond proceeds. In fulfilling this duty, all official communications to either the Board

or the public shall come from the Chair acting on behalf of the Committee. The Chair shall only release information that reflects the majority view of the Committee.

2.2 Review Expenditures. The Committee shall review expenditure reports produced by the District to ensure that (a) bond proceeds were expended only for the purposes set forth in the Measures; and (b) no bond proceeds were used for teacher or administrative salaries or other operating expenses in compliance with Attorney General Opinion 04-110, issued on November 9, 2004.

2.3 Annual Report. The Committee shall present to the Board, in public session, an annual written report for the Measures which shall include the following:

- (a) A statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution; and
- (b) A summary of the Committee's proceedings and activities for the preceding year.

2.4 Duties of the Board/Superintendent. Either the Board or the Superintendent, as the Board shall determine, shall have the following powers reserved to it, and the Committee shall have no jurisdiction over the following types of activities:

- (i) Approval of contracts,
- (ii) Approval of change orders,
- (iii) Expenditures of bond funds,
- (iv) Handling of all legal matters,
- (v) Approval of project plans and schedules,
- (i) Approval of all deferred maintenance plans, and
- (vi) Approval of the sale of bonds.

2.5 Measure O and Measure TT Projects Only. In recognition of the fact that the Committee is charged with overseeing the expenditure of Measure O and Measure TT bond proceeds, the Board has not charged the Committee with responsibility for:

- (a) Projects financed through the State of California, developer fees, redevelopment tax increment, certificates of participation, lease/revenue bonds, the general fund or the sale of surplus property without bond proceeds.
- (b) The establishment of priorities and order of construction for the bond projects, which shall be made by the Board in its sole discretion.
- (c) The selection of architects, engineers, soils engineers, construction managers, project managers, CEQA consultants and such other professional service firms as are

required to complete the project based on District criteria established by the Board in its sole discretion.

(d) The approval of the design for each project including exterior materials, paint color, interior finishes, site plan and construction methods (modular vs. permanent) which shall be determined by the Board in its sole discretion.

(e) The selection of independent audit firm(s), performance audit consultants and such other consultants as are necessary to support the activities of the Committee.

(b) The amendment or modification of the Bylaws for the Committee, as provided herein, subject to the legal requirements of Prop 39.

(f) The appointment or reappointment of qualified applicants to serve on the Committee, subject to legal limitations, and based on criteria adopted in the Board's sole discretion as part of carrying out its function under Prop 39.

3.6 Public Records. Minutes and Agendas of the proceedings of the Committee shall be a matter of public record and be made available on an internet website maintained by the District. Relevant documents received and reports issued shall be maintained by the District for review pursuant to Public Records Act requests.

Section 3. Authorized Activities.

3.1 In order to perform the duties set forth in Section 3.0, the Committee may engage in the following authorized activities:

(a) Receive copies of the District's annual, independent performance audit and annual, independent financial audit required by Prop 39 (Article XIII A of the California Constitution) (together, the "Audits") at the same time said Audits are submitted to the District, and review the Audits.

(b) Inspect District facilities and grounds for which bond proceeds have been or will be expended, in accordance with any access procedure established by the District's Chief Finance Officer.

(c) Review copies of deferred maintenance proposal or plans developed by the District.

(d) Review efforts by the District to maximize bond proceeds by implementing various cost-saving measures.

(e) Receive from the Board, within three months of the District receiving the Audits, responses to any and all findings, recommendations, and concerns addressed in the Audits, and review said responses.

Section 4. Membership.

4.1 Number.

The Committee shall consist of at least seven (7) members appointed by the Board from a list of candidates submitting written applications, and based on criteria established by Prop 39, to wit:

- One (1) member shall be the parent or guardian of a child enrolled in the District.
- One (1) member shall be both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization, such as the P.T.A. or a school site council.
- One (1) member active in a business organization representing the business community located in the District.
- One (1) member active in a senior citizens' organization.
- One (1) member active in a bona-fide taxpayers association.
- Two (2) members of the community at-large.

4.2 Qualification Standards.

(a) To be a qualified person, he or she must be at least 18 years of age.

(b) The Committee may not include any employee, official of the District or any vendor, contractor or consultant of the District.

(c) The Board shall determine if an applicant to the Committee satisfies the membership categories set forth in Section 5.1 above.

1.2 Ethics: Conflicts of Interest.

(a) Members of the Committee are not subject to the Political Reform Act (Gov. Code Section 81000 *et seq.*), and are not required to complete Form 700; but each member shall comply with the Committee Ethics Policy attached as "Attachment A" to these Bylaws.

(b) Pursuant to Education Code Section 35233, the prohibitions contained in Article 4 (commencing with Section 1090) of Division 4 of Title 1 of the Government Code ("Article 4") and Article 4.7 (commencing with Section 1125) of Division 4 of Title 1 of the Government Code ("Article 4.7") are applicable to members of the Committee. Accordingly:

(i) Members of the Committee shall not be financially interested in any contract made by them in their official capacities or by the Committee, nor shall they be purchasers at any sale or vendors at any purchase made by them in their official capacity, all as prohibited by Article 4; and

(ii) Members of the Committee shall not engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with, or inimical to duties as a member of the Committee or with the duties, functions, or responsibilities of the Committee or the District. A member of the

Committee shall not perform any work, service, or counsel for compensation where any part of his or her efforts will be subject to approval by any other officer, employee, board, or commission of the Board, except as permitted under Article 4.7.

1.3 Term. Except as otherwise provided herein, each member shall serve a term of ~~twothree~~ (32) years, commencing as of the date of appointment by the Board. No member may serve more than three (3) consecutive terms. At the Committee's first meeting, members will draw lots or otherwise select a minimum of two members to serve for an initial ~~onetwo~~ (12) year term and the remaining members for an initial ~~twothree~~ (23) year term. Members whose terms have expired may continue to serve on the Committee until a successor has been appointed, but in no event longer than six months from the expiration of such member's term. Members who have previously served on the Measure TT Committee shall be permitted to serve on the Committee and, if appointed by the Board, are entitled to serve new three (3) consecutive ~~twothree~~ (23) year terms from the date of their appointment.

4.3 Appointment. Members of the Committee shall be appointed by the Board through the following process: (a) the District will advertise in the local newspapers, on its website, and in other customary forums, as well as solicit appropriate local groups for applications; (b) the Superintendent or his or her designee and a Board member will review the applications; and (c) the Superintendent or his or her designee and Board member will make recommendations to the Board. If a Committee member is eligible to be appointed for another term, that member may request re-appointment, in writing to the Superintendent or designee, who will review the request and submit their recommendation to the Board of Education for the appropriate action.

4.4 Removal; Vacancy. The Board may remove any Committee member for cause, including failure to attend two consecutive Committee meetings without reasonable excuse or for failure to comply with the Committee Ethics Policy. Upon a member's removal, his or her seat shall be declared vacant. The Board, in accordance with the established appointment process shall fill any vacancies on the Committee. The Board shall seek to fill vacancies within 90 days of the date of occurrence of a vacancy.

4.5 Compensation. The Committee members shall not be compensated for their services.

4.6 Authority of Members. (a) Committee members shall not have the authority to direct staff of the District; (b) individual members of the Committee retain the right to address the Board, either on behalf of the Committee or as an individual; and (c) the Committee shall have the right to request and receive copies of any public records relating to projects funded by the Measures.

Section 5. Meetings of the Committee.

5.1 Meetings. The Committee shall establish a schedule for the date and time of regular meetings to be held meet at least quarterly once a year, including an annual organizational meeting, ~~but shall not have regularly scheduled meetings more frequently than quarterly.~~

5.2 Location. All meetings shall be held within the boundaries of the Pasadena Unified School District, located in Los Angeles County, California.

5.3 Procedures. All meetings shall be open to the public in accordance with the *Ralph M. Brown Act*, Government Code Section 54950 *et seq.* Meetings may be conducted according to such

additional procedural rules which are consistent with those adopted by the Board. A majority of the number of Committee members shall constitute a quorum for the transaction of any business of the Committee except adjournment.

Section 6. District Support.

6.1 The District shall provide to the Committee necessary technical and administrative assistance as follows:

(a) Preparation of and posting of public notices as required by the *Brown Act*, ensuring that all notices to the public are provided in the same manner as notices regarding meetings of the Board;

(b) Provision of a meeting room, including any necessary audio/visual equipment;

(c) Preparation, translation and copies of any documentary meeting materials, such as agendas and reports; and

(d) Retention of all Committee records, and providing public access to such records on an Internet website maintained by the District.

6.2 District staff and/or District consultants shall attend Committee proceedings in order to report on the status of projects and the expenditure of bond proceeds.

Section 7. Reports. In addition to the Annual Report required in Section 3.3, the Committee may report to the Board from time to time in order to advise the Board on the activities of the Committee. The Annual Report shall be in writing and shall summarize the proceedings and activities conducted by the Committee.

Section 8. Officers. The Superintendent shall appoint the initial Chair. Thereafter, the Committee shall elect a Chair and a Vice-Chair who shall act as Chair only when the Chair is absent. The Chair and Vice-Chair shall serve in such capacities for a term of one year and may be re-elected to such capacities by vote of a majority of the members of the Committee.

Section 9. Amendment of Bylaws. Any amendment to these Bylaws shall be approved by a majority vote of the Board.

Section 10. Termination. The Committee shall automatically terminate and disband concurrently with the Committee's submission of the final Annual Report which reflects the final accounting of the expenditure of all monies authorized by the Measures.

ATTACHMENT A

CITIZENS' BOND OVERSIGHT COMMITTEE ETHICS POLICY STATEMENT

This Ethics Policy Statement provides general guidelines for Committee members in carrying out their responsibilities. Not all ethical issues that Committee members face are covered in this Statement. However, this Statement captures some of the critical areas that help define ethical and professional conduct for Committee members. The provisions of this Statement were developed from existing laws, rules, policies and procedures as well as from concepts that define generally accepted good business practices. Committee members are expected to strictly adhere to the provisions of this Ethics Policy.

POLICY

- **CONFLICT OF INTEREST.** A Committee member shall not make or influence a District decision related to: (1) any contract funded by bond proceeds, or (2) any construction project which will benefit the Committee member's outside employment, business, or personal finances or benefit an immediate family member, such as a spouse, child or parent.

- **OUTSIDE EMPLOYMENT.** A Committee member shall not use his or her authority over a particular matter to negotiate future employment with any person or organization that relates to: (1) any contract funded by bond proceeds, or (2) any construction project. A Committee member shall not make or influence a District decision related to any construction project involving the interest of a person with whom the member has an agreement concerning current or future employment, or remuneration of any kind. For a period of two (2) years after leaving the Committee, a former Committee member may not represent any person or organization for compensation in connection with any matter pending before the District that, as a Committee member, he or she participated in personally and substantially. Specifically, for a period of two (2) years after leaving the Committee, a former Committee member and the companies and businesses for which the member works shall be prohibited from contracting with the District with respect to: (1) bidding on projects funded by the bond proceeds; and (2) any construction project.

- **COMMITMENT TO UPHOLD LAW.** A Committee member shall uphold the federal and California Constitutions, the laws and regulations of the United States and the State of California (particularly the Education Code) and all other applicable government entities, and the policies, procedures, rules and regulations of the Pasadena Unified School District.

- **COMMITMENT TO DISTRICT.** A Committee member shall place the interests of the District above any personal or business interest of the member.