

RESOLUTION NO. 2017-4

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE
MANHATTAN BEACH UNIFIED SCHOOL DISTRICT
ESTABLISHING AN INDEPENDENT CITIZENS' OVERSIGHT
COMMITTEE FOR MEASURE EE**

WHEREAS, the Board of Trustees of the Manhattan Beach Unified School District, County of Los Angeles, State of California (the "Board"), previously adopted its Resolution No. 2016-15 requesting the Registrar of Voters of the County of Los Angeles to call an election on November 8, 2016 on a measure to authorize the issuance of \$39,000,000 of general obligation bonds (the "Bond Election"); and

WHEREAS, on November 8, 2016, the Bond Election was duly held and conducted for the purpose of voting on a measure, designated as Measure EE, for the issuance of general obligation bonds (the "Bonds") of the Manhattan Beach Unified School District (the "District") in the amount of \$39,000,000 (the "Bond Measure"); and

WHEREAS, more than fifty-five percent of the votes cast on the Bond Measure were in favor of issuing the Bonds; and

WHEREAS, on December 14, 2016, the Board adopted a resolution certifying the results of the Bond Election which results were entered on the minutes of the District; and

WHEREAS, Measure EE requires the establishment of an independent citizens' oversight committee within 60 days of the date that the results of the Bond Election are entered on the minutes of the District, the purpose of which shall be to inform the public concerning the expenditure of proceeds of the Bonds; and

WHEREAS, the Board desires to authorize the establishment of an independent citizens' oversight committee as required by Measure EE at this time in order to ensure an orderly process for the selection of committee members and to ensure that all members are selected within the timeframe required by Measure EE and Sections 15278 et seq. of the California Education Code (the "Code"); and

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Manhattan Beach Unified School District, as follows:

Section 1. An Independent Citizens' Oversight Committee (the "Committee") is hereby established in compliance with the Code and Measure EE for the general purpose of informing the public concerning the expenditure of proceeds of the Bonds and performing the other duties set forth in the Code.

Section 2. The Independent Citizens' Oversight Committee Bylaws (the "Bylaws"), a copy of which is attached hereto as Exhibit A, are hereby approved.

Section 3. The Committee shall have the specific purposes and be operated in the manner required by the Code and the Bylaws, as such Bylaws may be amended from time to time in

accordance with their terms. The initial appointment of Committee members shall be undertaken in accordance with the Bylaws.


Section 4. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 14th day of December, 2016, by the following vote:

AYES: 7
NOES: 0
ABSENT: 0
ABSTENTIONS: 0

BOARD OF TRUSTEES OF THE
MANHATTAN BEACH UNIFIED SCHOOL
DISTRICT

By:



President of the Board of Trustees of the
Manhattan Beach Unified School District

Attest:



Clerk of the Board of Trustees of the
Manhattan Beach Unified School District

CLERK'S CERTIFICATE

I, Christine CroninHurst Clerk of the Board of Trustees of the Manhattan Beach Unified School District, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Trustees of said District duly and regularly and legally held at the regular meeting place thereof on December 14, 2016, of which meeting all of the members of the Board of said District had due notice and at which a quorum was present.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes.

Said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: 12/14, 2016



Clerk of the Board of Trustees of the
Manhattan Beach Unified School District

EXHIBIT A

MEASURE EE CITIZENS' BOND OVERSIGHT COMMITTEE BYLAWS

SECTION I

COMMITTEE ESTABLISHED

The Manhattan Beach Unified School District (the "District") was successful at the election conducted on November 8, 2016 on Measure EE, obtaining authorization from the District's voters to issue up to \$114,000,000 aggregate principal amount of the District's general obligation bonds, pursuant to a 55 percent vote. The election was conducted under Proposition 39, chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, as Section 15264 et. seq., of the California Education Code ("Proposition 39").

Pursuant to Section 15278 of the Education Code, the District is obligated to establish a Citizens' Bond Oversight Committee in order to satisfy the accountability requirements of Proposition 39. In a resolution adopted on December 14, 2016, the Board of Trustees of the Manhattan Beach Unified School District ("Board") established the Measure EE Citizens' Bond Oversight Committee which shall have the duties and rights set forth in these Bylaws.

SECTION II

COMMITTEE'S MISSION

The Measure EE Citizens' Bond Oversight Committee is to independently review and inform the public and Board concerning the expenditure of bond proceeds and to ensure that such bond proceeds are expended in accordance with the intention of the voters and state law.

SECTION III

NAME AND LOCATION

- 3.01 The name of the committee will be the Measure EE Citizens' Bond Oversight Committee (the "Committee").
- 3.02 The office of the Committee shall be located in the Administrative Offices of the Manhattan Beach Unified School District, located at 325 South Peck Avenue, Manhattan Beach, CA, 90266.

SECTION IV

PURPOSE

- 4.01 Pursuant to Education Code Section 15278, the purpose of the Committee is to inform the public and the Board concerning the expenditure of Measure EE bond proceeds. The Committee shall actively review and report on the proper expenditure of the taxpayers' moneys for school construction, and advise the public as to whether the District is in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, a copy of which is attached as Appendix I hereto.
- 4.02 The Committee shall convene to provide oversight for, but not limited to, the following:
1. Ensuring that Measure EE bond proceeds are expended only for the purposes described in paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution and in Measure EE.
 2. Ensuring that Measure EE bond proceeds are not used for any teacher or administrative salaries or other school operating expenses.

SECTION V

COMMITTEE ACTIVITIES

- 5.01 The Committee shall engage in any of the following activities in furtherance of its purpose:
1. Actively review and report on the proper expenditure of Measure EE bond proceeds for school construction.
 2. Advise the public as to whether the District is in compliance with the requirements of Article XIII A of the California Constitution.
 3. Conduct all business in accordance with the provisions of the *Ralph M. Brown Public Meeting Act* ("the Brown Act") of the State of California which shall include the posting of agendas and minutes of the Committee meetings on the District's website.
 4. Provide for communication with and from the community on all issues related to Measure EE.
 - a. The Committee shall issue a Semi-Annual Report of its activities to the Board. Each Semi-Annual Report shall concern the events of the preceding calendar quarter and shall be distributed within 60 days of the end of the reporting period (January 1 to June 30 and July 1 to December

31) to which it pertains. The Committee may elect to file only an annual report within 60 days following each December 31 if the bond program is nearing completion and there is nothing substantive to report regarding bond projects and bond expenditures during a particular reporting period.

b. In addition, the Committee may prepare, approve, and distribute other progress reports of its activities, findings, and recommendations to the Superintendent, the Board, and the public. If in conducting its duties and activities, the Committee finds it necessary to report to the Board on any item it deems to be of immediate concern, the Committee may request that the Board call a special Board meeting as soon as possible in accordance with the provisions of the Brown Act.

c. The Committee reports shall be posted on the District's website.

5. All documents received and reports issued by the Committee shall be made available for public viewing on the District's website.

5.02 In furtherance of its purpose, the Committee may engage in any of the following activities per statute:

1. Receive and review copies of the required annual, independent financial and performance audits required by paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

2. Inspect school facilities and grounds to ensure that Measure EE bond proceeds are expended in compliance with paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

3. Receive and review copies of any deferred maintenance proposals or plans developed by the District.

4. Review efforts by the District to maximize Measure EE bond proceeds by implementing cost-saving measures, including, but not limited to, all of the following:

a. Mechanisms designed to reduce the costs of professional fees.

b. Mechanisms designed to reduce the costs of site preparation.

c. Recommendations regarding the joint use of core facilities.

d. Mechanisms designed to reduce costs by incorporating efficiencies in school site design.

e. Recommendations regarding the use of cost-effective and efficient reusable facility plans.

5.03 The Committee may review any documents and proposals related to the expenditure of Proposition C proceeds and make recommendations in accordance with its Purpose and Activities, as stated in Sections IV and V of these bylaws, Measure EE, and Proposition

39. However, the Board, in its sole discretion, may act on any recommendations as it deems appropriate.

5.04 In recognition of the fact that the Committee is charged with overseeing the expenditure of bond proceeds, the Board has not charged the Committee with the following, all of which shall be determined by the Board in its sole discretion:

1. Projects financed through the State of California, developer fees, certificates of participation, lease/revenue bonds, the general fund, or the lease of surplus property.
2. The establishment of priorities and order of construction for the bond projects.
3. The selection of architects, engineers, soils engineers, construction managers, project managers, California Environmental Quality Act consultants, and such other professional service firms as are required to complete the project.
4. The approval of the design for each project including exterior materials, paint color, interior finishes, site plans, and construction methods.
5. The selection of independent audit firm(s), performance audit consultants and such other consultants as are necessary to support the activities of the Committee.
6. The approval of an annual budget for the Committee that is sufficient to carry out the activities set forth in Proposition 39.
7. The appointment or reappointment of qualified applicants to serve on the Committee, subject to legal limitations, and based on criteria adopted by the Board.

SECTION VI

DISTRICT DUTIES AND SUPPORT

6.01 Either the Board or Superintendent, as the Board shall determine, shall have the following duties reserved to it, and the Committee shall have no jurisdiction over the following types of activities:

1. Approval of construction contracts.
2. Approval of construction change orders.
3. Appropriation of construction funds.

4. Handling of all legal matters.
 5. Approval of construction plans and schedules.
 6. Approval of the sale of bonds.
- 6.02 The District acknowledges that effective oversight by the Committee is not only required by law but is essential to the District's ability to accomplish the construction, repair, and modernization of its schools. Therefore, the District commits to support the oversight process through cooperation with the Committee, by providing the Committee with access to information and with sufficient logistical support so that the Committee may effectively perform its oversight function. Further, the District will insure that with regard to the Committee, all District personnel are committed to open communication, the timely sharing of information, and teamwork.
- 6.03 The District shall provide necessary administrative and technical support to the Committee as shall be consistent with the Committee's purpose, including but not limited to:
1. 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.
 2. Provision of a meeting room, including any necessary audio/visual equipment.
 3. Preparation and copies of any document or meeting materials, such as agendas and reports.
 4. Retention of all Committee records.

SECTION VII

MEMBERSHIP

- 7.01 The Committee shall be composed of a minimum of seven (7) members appointed by the Board after an open and public recruitment process. The Board, at its sole discretion, may appoint more than seven (7) members provided that any appointments beyond seven (7) result in an odd number of active members serving at any one time. Committee members are required to reside within the boundaries of the District. Employees, officials, vendors, contractors, or consultants of the District are not eligible for voting or active membership on the Committee.
- 7.02 In accordance with Education Code Sections 15278-15282, the Committee shall include, at least:
1. One member who is active in a bona fide taxpayers' organization.

2. One member who is active in a business organization representing the business community within the District.
 3. One member who is active in a senior citizens' organization.
 4. One member who is a parent or guardian of a child enrolled in the District.
 5. One member who is a parent or guardian of a child enrolled in the District and active in PTA/PTSA or School site Council.
- 7.03 A member originally appointed to serve a term in one of these categories who, during the course of that term, no longer qualifies for that category, must so notify the Board and resign from the committee.
- 7.04 In addition to the above requirements, the following areas of expertise are desirable:
1. Architecture/Engineering
 2. Construction Law
 3. Financial Management
 4. Real Estate Sales/Development
 5. Construction Management
- 7.05 Committee members may not hold any incompatible office or position during their term of membership, as those terms are defined in Article 4.7 of Division 4, of Title I (commencing with section 1125) of the Government Code, and shall abide by the conflict of interest prohibitions contained in Article 4 of Division 4, of Title I (commencing with section 1090) of the Government Code and with the Ethics Policy attached as Appendix II hereto. Any member shall disclose immediately any possible or potential conflict of interest to the Committee. A Committee member's failure to disclose any possible or potential conflict of interest when known will result in the member's removal from the Committee.
- 7.06 Committee members are not eligible to apply for contracts related to the Measure EE bond and other construction with the District until two (2) years after leaving the Committee.
- 7.07 The Superintendent; Deputy Superintendent; one representative from MBUTA and one representative from CSEA; and one Board member may serve as ex-officio members of the Committee. These ex-officio members shall have no voting rights as members of the Committee.
- 7.08 Committee members shall receive no compensation for their services on the Committee.

SECTION VIII

TERMS OF OFFICE

- 8.01 Committee members are appointed by the Board for a term of two (2) years, except as provided in Section 8.02 or as otherwise provided herein. No member may serve more than three (3) consecutive terms or a maximum of six (6) consecutive years, whichever is

less. The terms shall be staggered as set forth in Section 8.02 below. Should a member resign his/her position before his/her term matures, the Board will appoint a new member to complete the term. At the discretion of the Board, members serving partial terms may be reappointed to serve two complete terms at the conclusion of the partial term.

- 8.02 At the Committee's first meeting, members will draw lots in order to stagger the starting initial terms as follows:
1. Four of the members will serve an initial two-year (2) term, and,
 2. Three of the members will serve an initial three-year (3) term.
- 8.03 The members serving the initial three (3) year term will be eligible for reappointment to no more than one additional two (2) year term at the discretion of the Board.
- 8.04 Should the Board increase the number of members on the Committee, the Committee will make the necessary adjustments to terms in order to once again have one-half of the members' terms maturing each year.
- 8.05 The Committee members shall not be compensated for their services.
- 8.06 Following an absence of one year, any Committee member whose term has expired due to statutory term limits shall be eligible to serve again.

SECTION IX

REMOVAL FROM OFFICE

- 9.01 The Board may remove any Committee member, for cause, including failure to attend without reason acceptable to the Committee, three (3) consecutive Committee meetings or for failure to comply with the Committee's Ethics Policy. Upon a member's removal, his/her seat shall be declared vacant. The Board, in accordance with the established appointment process, shall fill any vacancies on the Committee as soon as practicable and not later than 90 days after the date of such vacancy.

SECTION X

COMMITTEE RULES & PROCEDURES

- 10.01 The Committee shall meet monthly or as the Committee shall deem necessary to conduct its business on dates to be determined by the Committee at its organizational meeting. The date upon which, and the hour and place at which, each such regular meeting shall be held shall be fixed by the Committee and posted on the District's website. The Committee may meet in a joint meeting with the Citizens' Oversight Committee for the District's Measure C general obligation bonds; provided, however, each item to be discussed by the Committee shall be listed as a separate item on the agenda for discussion by the Committee. To the extent permitted by the Brown Act, such meetings may be held by teleconference.

- 10.02 Special meetings and established subcommittee meetings may be called in accordance with the provisions of the Brown Act, as amended or supplemented from time to time. To the extent permitted by the Brown Act, such meetings may be held by teleconference.
- 10.03 All meetings of the Committee shall be called, noticed, held and conducted subject to the provisions of the Brown Act. Each Committee shall cause minutes of all meetings to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to District staff for posting on the District's website.
- 10.04 Any person wishing to speak during the Public Comments section of the Committee's agenda, at the beginning and/or end of each meeting, shall first complete a speaker request card and submit the card to the Committee Secretary prior to the public comments section of the agenda.
1. Individual speakers before the Committee shall have a three-minute time limit per item. The Chairman may increase this time limit by no more than ten minutes.
 2. The Chairman shall ensure that all persons addressing the Committee confine the subject matter of their remarks to the particular matter before the Committee.
 3. If a member of the audience has addressed the Committee on matters which are not on the posted agenda for that meeting, members shall refrain from discussing such matters. If the non-agenda matter raised by a member of the public concerns an issue that is within the subject matter jurisdiction of the Committee, any member may request that the Committee vote to place that matter on a future agenda.
 4. Persons addressing the Committee shall address the Committee as a whole and shall not direct comments to individual members of the Committee or to members of the audience.
- 10.05 In the event of disorderly conduct by members of the public, the Committee may order the meeting room cleared pursuant to California Government Code §54957.9.
- 10.06 A majority of active members of the Committee shall constitute a quorum for the transaction of business, except that less than a quorum may convene from time to time.
- 10.07 Each member of the Committee shall be entitled to one vote to be entered in person. Members may not vote by absentee or proxy. No action shall be taken by members present and voting, unless a quorum is present. Recommendations to the Board to approve or disapprove a project must be approved by a majority of the active members of the Committee.
- 10.08 Regular attendance by Committee members is crucial to effective operation of the Committee and timely implementation of Measure EE projects. Members are expected to attend all meetings.

SECTION XI.

COMMITTEE OFFICERS

- 11.01 The officers of the Committee shall be a Chairman, a Vice Chairman and a Secretary. The Chairman shall chair the Committee meetings. The Vice Chairman shall act as Chairman only when the Chairman is absent.
- 11.02 The Chairman and Vice Chairman must be members of the Committee, and shall be elected by a majority of the Committee at the organizational meeting each year. The Chairman and Vice Chairman shall serve for no more than four (4) years in their respective offices. The Secretary shall be appointed by the Committee and need not be a member of the Committee.
- 11.03 The duties of the Chairman are to:
1. Preside at meetings of the Committee.
 2. Appear before the Board and other bodies to present and discuss the official actions of the Committee.
- 11.04 The duties of the Vice Chairman are to:
1. Preside at Committee meetings in the absence of the Chairman.
 2. Appear before the Board and other bodies to present and discuss the official actions of the Committee in the absence of the Chairman.
- 11.05 The duties of the Secretary are to:
1. Record and maintain minutes of all meetings of the Committees.
 2. Distribute minutes of all meetings of the Committee to all Committee members, to the Board, and to District staff for posting on the District's website.
 3. Distribute Committee meeting agendas to all Committee members, to all other persons requesting copies of the agenda so that provisions of the Brown Act are followed, and to District staff for posting on the District's website.
 4. Distribute all Committee reports to all Committee members, to the Board and to District staff for posting on the District's website.
 5. Keep all documents officially received by the Committee in the course of its business, and to forward copies of all such documents to the District staff.
 6. Prepare all necessary correspondence of the Committee.
 7. Arrange and coordinate meeting locations and teleconferences of the Committee

SECTION XII

AMENDMENTS

- 12.01 These Bylaws shall become effective upon approval of the Board and ratification by the Committee.
- 12.02 These Bylaws may be amended, changed, added to, or repealed by the Board, as deemed necessary. Additional or supplemental operational guidelines or procedures may be adopted by the Committee by a majority vote of all the members of the Committee, providing such additional or supplemental operational guidelines or procedures are not in conflict with these Bylaws, any Resolution or Ordinance of the Board, or any state law, including but not limited to the provisions of the Brown Act and the Education Code.

SECTION XIII

TERMINATION

- 13.01 The Committee shall initiate procedures to terminate and disband at the earlier of the date:
1. All bond proceeds have been expended, or
 2. All projects funded by Measure EE bond proceeds are complete.
- 13.02 Once the District informs the Committee that either of the conditions described in 13.01 has occurred, the Committee shall prepare a final report of findings and recommendations to be presented and received by the Board at a regularly scheduled Board meeting.
- 13.03 Once the final report of findings and recommendations is presented to the Board, the Committee shall automatically terminate and disband. In no event shall the final report be presented to the Board more than 60 days after the Committee has been informed of the occurrence of either of the conditions set forth in section 13.01.

APPENDIX I

EXCERPT FROM CALIFORNIA CONSTITUTION ARTICLE 13A (TAX LIMITATION)

SECTION 1.

(a) The maximum amount of any ad valorem tax on real property shall not exceed One percent (1%) of the full cash value of such property. The one percent (1%) tax to be collected by the counties and apportioned according to law to the districts within the counties.

(b) The limitation provided for in subdivision (a) shall not apply to ad valorem taxes or special assessments to pay the interest and redemption charges on any of the following:

- (1) Indebtedness approved by the voters prior to July 1, 1978.
- (2) Bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voter voting on the proposition.
- (3) Bonded indebtedness incurred by a school district, community college district, or county office of education for the 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, approved by 55 percent of the voters of the district or county, as appropriate, voting on the proposition on or after the effective date of the measure adding this paragraph. This paragraph shall apply only if the proposition approved by the voters and resulting in the bonded indebtedness includes all of the following accountability requirements:

(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.

(B) 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.

(C) 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.

(D) 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 of those proceeds have been expended for the school facilities projects.

- (c) Notwithstanding any other provisions of law or of this Constitution, school districts, community college districts, and county offices of education may levy a 55 percent vote ad valorem tax pursuant to subdivision (b).

APPENDIX II

MANHATTAN BEACH UNIFIED SCHOOL DISTRICT MEASURE EE CITIZENS' BOND OVERSIGHT COMMITTEE

ETHICS POLICY STATEMENT

This Ethics Policy Statement provides general guidelines for committee members to follow in carrying out their roles. 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 attempt to influence a District decision related to: (1) any contract funded by bond proceeds or (2) any construction project that 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 influence a District decision related to any construction project involving the interests of a person with whom the member has an agreement concerning current or future employment, or remuneration of any kind.

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 Manhattan Beach Unified School District.

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