



County of Santa Cruz 0000009

COUNTY CLERK / ELECTIONS

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GAIL L. PELLERIN, COUNTY CLERK

March 17, 2006

AGENDA: March 28, 2006

BOARD OF SUPERVISORS
County of Santa Cruz
701 Ocean Street, 5th floor
Santa Cruz, CA 95060

Dear Members of the Board:

The County Clerk/Elections department has received, and filed with the Clerk of the Board, resolutions from the following jurisdictions to consolidate their elections for school, city and fire ballot measures, with the June 6, 2006 Gubernatorial Primary Election:

The following school/city/fire district ballot measures will appear on the June, 2006 ballot:

- Measure N – Aromas, San Juan Unified School District Bond
- Measure E – City of Watsonville Retirement Tax Repeal Initiative
- Measure F – Scotts Valley Fire Protection District Bond

It is recommended that the Board ADOPT the attached resolution ordering the elections called by the school district, city and special district listed above to be consolidated with the June 6, 2006 Gubernatorial Primary Election.

Sincerely,

Gail L. Pellerin
County Clerk

RECOMMENDED:

SUSAN A. MAURIELLO
County Administrative Officer

**BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA**

RESOLUTION NO. _____

On the motion of Supervisor
Duly seconded by Supervisor
The following Resolution is adopted:

RESOLUTION ORDERING CONSOLIDATION OF ELECTIONS
ON JUNE 6, 2006

WHEREAS, whenever two or more elections of any district, city, county, or other public subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or officer calling the election. (Elections Code Section 10400);

WHEREAS, whenever one of the elections to be consolidated is a statewide election, the district, city or other political subdivision shall file with the Board of Supervisors, and a copy to the County Clerk, a resolution of its governing board requesting such consolidation and setting forth the exact form of any question, proposition or office to be voted upon at such election as the same is to appear on the ballot. Upon such request, the Board of Supervisors may order the consolidation. (Elections Code Sections 10401, 10403);

WHEREAS, the following jurisdictions have requested the following measures to be consolidated with the June 6, 2006 Gubernatorial Primary Election:

- Measure N – Aromas, San Juan Unified School District Bond
- Measure E – City of Watsonville Retirement Tax Repeal Initiative
- Measure F – Scotts Valley Fire Protection District Bond

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the Board of Supervisors of the County of Santa Cruz hereby orders consolidation of the school, special district and city elections listed above with the Gubernatorial Primary Election to be held on June 6, 2006 insofar as said election is to be held in the same territory or in territory that is in part the same.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this _____ day of _____ 2006, by the following vote:

AYES: SUPERVISORS

NOES: SUPERVISORS

ABSENT: SUPERVISORS

Chairperson of said Board

ATTEST: _____
Clerk of said Board

APPROVED AS TO FORM:

Jane M. Scott

Assistant County Counsel

RESOLUTION NO. 0506-17

SANTA CRUZ CO. ELECTIONS
FILED 0000012
24 AM 11:21

RESOLUTION OF THE BOARD OF TRUSTEES
AROMAS-SAN JUAN UNIFIED SCHOOL DISTRICT ORDERING
AN ELECTION, AND ESTABLISHING SPECIFICATIONS OF
THE ELECTION ORDER

WHEREAS, the Board of Trustees (the "Board") has determined that certain properties and equipment within the Aromas-San Juan Unified School District (the "District"), within San Benito County, Santa Cruz County and Monterey County, need to be acquired, constructed, improved, and equipped to enable the District to enhance the educational opportunities of the students in the District; and

WHEREAS, notwithstanding ongoing efforts by the District to obtain sufficient facility money from the State of California (the "State"), the State has been unable to provide the District with enough money to adequately construct and repair schools to provide an optimal learning environment for all students; and

WHEREAS, in the judgment of the Board, it is advisable to provide the funding for such needs by means of a general obligation bond; and

WHEREAS, Proposition 46, approved by the voters of the State of California on June 3, 1986 ("Proposition 46"), amended Section 1(b) of Article XIII A of the California Constitution by adding a provision which exempts from the 1% of full cash value limitation, those ad valorem taxes used to pay for debt service of any 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 voters voting on the proposition; and

WHEREAS, on November 7, 2000 the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act ("Proposition 39") which, as of its effective date, will reduce the voter threshold for ad valorem tax levies used to pay for debt service or bonded indebtedness to 55% of the votes cast on a local school district general obligation bond; and

WHEREAS, concurrent with the passage of Proposition 39, Chapter 1.5, Part 10, Division 1, Title 1 (commencing with Section 15264) of the Education Code (the "Act") became operative and established requirements associated with the implementation of Proposition 39; and

WHEREAS, the Board desires to make certain findings herein to be applicable to this election order and to establish certain performance audits, standards of financial accountability and citizen oversight which are contained in Proposition 39 and the Act;

WHEREAS, the District desires to appoint bond counsel and an investment banking firm as consultants to the District in connection with the proposed bond;

WHEREAS, the Board hereby determines, in accordance with the opinion of the Attorney General of the State of California, that the restrictions in Proposition 39 which prohibit any bond money from being wasted or used for administrative salaries or other operating expenses of the District be strictly enforced by the Citizens' Oversight Committee;

WHEREAS, in the judgment of the Board, it is advisable to order each of the San Benito County, Monterey County and Santa Cruz County Registrar of Voters to call an election pursuant to Proposition 39 on the question of whether general obligation bonds shall be issued and sold on behalf of the District for purposes set forth below; and

WHEREAS, pursuant to the California Elections Code, it is appropriate for the Board to request consolidation of the election with any and all other elections to be held on June 6, 2006, and to request each of the San Benito County Registrar of Voters, the Monterey County Registrar of Voters and the Santa Cruz County Registrar of Voters to perform certain election services for the District; and

NOW THEREFORE, THE BOARD OF **THE AROMAS-SAN JUAN UNIFIED SCHOOL DISTRICT** DOES HEREBY **RESOLVE**, DETERMINE AND ORDER **AS FOLLOWS**:

Section 1. That the Board, pursuant to Education Code Sections 15100 and Government Code Section **53606**, hereby orders each of the San Benito County Registrar of Voters, the Monterey County Registrar of Voters and the Santa Cruz County Registrar of Voters, to call an election under the provisions of Proposition 39 and submit to the electors of the District the question of whether bonds of the District in the aggregate principal amount not to exceed \$23,500,000 (the "Bonds") shall be issued and sold for the purpose of raising money for the purposes described in Exhibit A and B hereto. Both Exhibits are directed to be printed in the voter pamphlet in each of the Counties.

Section 2. That the date of the election shall be **June 6, 2006**.

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

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

(b) that the Board, in establishing the projects set forth in Exhibit B, evaluated **the** safety, class size reduction and information technology needs of the District;

(c) that the Board will cause to be conducted an annual, independent performance audit to ensure that the Bond monies get expended for the school projects identified in Exhibit "B" hereto;

(d) that the Board will cause an annual, independent financial audit of the proceeds **from** the sale of Bonds to be conducted until all of the Bond proceeds have been expended;

(e) that the Board will cause the appointment of a Citizens' Oversight Committee in compliance with Education Code Section **15278** no later than 60 days after the Board enters the election results on its minutes pursuant to Education Code Section **15274**;

(f) that the tax levy authorized to secure the bonds of this election shall not exceed the Proposition 39 limit per \$100,000 of taxable property in the District when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution; and

(g) that the Board will comply with the bond accountability measures set forth in Government Code Section **53410**.

Section 4. That the authority for ordering the election is contained in Education Code Sections 15100 and Government Code Section **53606**.

Section 5. That the authority for the specifications of this election order is contained in Sections 5322 and of the Education Code.

Section 6. That this Resolution shall stand as the "order of election" to each of the San Benito County Registrar of Voters, the Monterey County Registrar of Voters and the Santa Cruz County Registrar of Voters, to call an election within the boundaries of the District on June **6,2006**.

Section 7. That the Secretary of the Board is hereby directed to send a certified copy of this Resolution to each of the San Benito County, the Monterey County and the Santa **Cruz** County Registrar of Voters no later than February **27,2006**.

Section 8. That the maturity of any bonds issued pursuant to Section 15100 of the Education Code hereto shall have a maturity not exceeding twenty-five (25) years, and bonds issued pursuant to Section 53506 of the Government Code shall have a maturity of not exceeding forty (40) years.


Section 9. That the San Benito County Registrar of Voters, the **San** Benito County Board of Supervisors, the Santa **Cruz** County Registrar of Voters, the Santa **Cruz** County Board of Supervisors, and the Monterey County Registrar of Voters, the Monterey County Board of Supervisors are hereby requested to consolidate the election ordered hereby ~~with~~ any and all other elections to be held on June 6,2006 within the District.

Section 10. Pursuant to Section 5303 of the Education Code **and** Section 10002 of the Elections Code, the Board of Supervisors of each of San Benito County, Monterey County, and Santa Cruz County are requested to permit the Registrar of Voters of each said counties to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse each of San Benito County, Monterey **County and** Santa **Cruz** County, such services to include the publication of a Formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code) pursuant to the terms of Section 5363 of the Education Code and Section 12112 of the Elections Code.

Section 11. The Board hereby appoints Stradling Yocca Carlson & Rauth, a Professional Corporation, as bond counsel and Stone & Youngberg LLC as investment banker to the District in connection with the issuance of the Bonds. The fees of each consultant shall be contingent on the issuance of the Bonds and be paid from the proceeds of the sale of the Bonds.

ADOPTED, SIGNED AND APPROVED this 23rd day of February, 2006.

**BOARD OF TRUSTEES OF THE AROMAS-SAN
JUAN UNIFIED SCHOOL DISTRICT**

By  _____
President

Attest:

 _____
Secretary

STATE OF CALIFORNIA)
)ss
SAN BENITO COUNTY)

I, Jacquelyn B. Muñoz, do hereby certify that the foregoing is a true and correct copy of Resolution No. 0506-17 which was duly adopted by the Board of Trustees of the Aromas-San Juan Unified School District at meeting thereof held on the 23rd day of February, 2006, and that it was so adopted by the following vote:

AYES: 4

NOES:

ABSENT:

ABSTENTIONS: /

By Jacquelyn B. Muñoz
Secretary

EXHIBIT A

“School Repair Measure. To improve safety conditions of neighborhood schools, replace relocatable classrooms and to construct, acquire, upgrade and equip classrooms, facilities and sites, shall Aromas-San Juan Unified School District issue \$23,500,000 of bonds at legal interest rates, maintain its Citizens’ Oversight Committee and enforce strict financial accountability guidelines to guarantee that no bond money used for salaries or other operating expenses?”

Bonds - Yes

Bonds - No

EXHIBIT B
 FULL TEXT BALLOT PROPOSITION
 OF THE AROMAS-SAN JUAN UNIFIED SCHOOL DISTRICT
 BOND MEASURE ELECTION JUNE 6,2006

The following is the full proposition presented to the voters by the Aromas-San Juan Unified School District.

“School Repair Measure. To improve safety conditions of neighborhood schools, replace relocatable classrooms and to construct, acquire, upgrade and equip classrooms, facilities and sites, shall Aromas-San Juan Unified School District issue \$23,500,000 of bonds at legal interest rates, maintain its Citizens’ Oversight Committee and enforce strict financial accountability guidelines to guarantee that no bond money used for salaries or other operating expenses?”

The Board of Trustees of the Aromas-San Juan Unified School District has evaluated safety, class size reduction, and information technology needs in developing the list of school facility projects to be funded, as outlined in the District’s Facilities Assessment, on file in the District Office, and as shall be amended from time to time, including the following projects:

PROJECTS

1. Aromas School: Construct new classroom buildings; remove portable classrooms; construct new library/media center/administrative building; improve outdoor safety by installing outdoor lighting, create a new outdoor eating area near cafeteria; relocate kindergarten playground to grass area near all the kindergarten rooms; upgrade multi-purpose room and kitchen; enhance student safety by improving bus loading zone.
2. San Juan School: Renovate four science/humanities classrooms, improve ventilation and cooling in Classrooms and gym; expand gym facility; renovate and upgrade multi-purpose room, restrooms and kitchen.
3. Anzar High School: Construct new classrooms, multipurpose auditorium, dining hall and kitchen, upgrade sewer system with new septic system and leach fields.
4. District-wide: Construct new pre-school on site of existing portable, which will be demolished; refinance existing lease/purchase obligations (Certificates of Participation).

Listed repairs, renovation projects and upgrades will be completed as needed at a particular site. Each project is assumed to include its share of costs of architectural, engineering, and similar planning costs, construction management, landscaping and a customary contingency for unforeseen design and construction costs. Some projects may involve the demolition of existing structures. **The** final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. The allocation of bond proceeds, as well as the timely completion of the projects, might be affected by the District’s receipt of State matching funds and the final costs of each project. The budget for each project is an estimate and may be affected by factors beyond the District’s control.

No Administrator Salaries. Proceeds from the sale of bonds authorized by this proposition shall be used only for the repair, renovation, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property

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for school facilities, and not for any other purpose, including teacher and administrator salaries and other operating expenses.

Bond Expenditure and Citizen Oversight. The expenditure of bond money on these projects are subject to tough financial accountability requirements. Performance and financial audits will be performed annually, and all bond expenditures will be monitored by the independent Citizens' Oversight Committee to ensure that funds are spent as promised and specified.

CO. CLERK

0000020

RESOLUTION NO. 17-06 (CM)

A RESOLUTION OF THE CITY COUNCIL ~~OF~~ THE CITY OF WATSONVILLE CALLING FOR A SPECIAL MUNICIPAL ELECTION ON WHETHER TO REPEAL SUBDIVISION (B)(2) ~~OF~~ SECTION 1122 OF ARTICLE XI ~~OF~~ THE CHARTER OF THE CITY ~~OF~~ WATSONVILLE REQUIRING A PROPERTY TAX TO BE COLLECTED FOR THE PURPOSE OF PAYING THE CITY'S OBLIGATIONS TO PUBLIC EMPLOYEES' RETIREMENT; REQUESTING CONSOLIDATION ~~OF~~ THIS SPECIAL MUNICIPAL ELECTION WITH THE CALIFORNIA CONSOLIDATED GUBERNATORIAL PRIMARY ELECTION TO BE HELD ON JUNE 6,2006; AND DIRECTING THE CITY CLERK TO TAKE STEPS TO PLACE SAID MEASURE ON THE CONSOLIDATED ELECTION BALLOT IN WATSONVILLE

Repeals Resolution No. 177-05 (CM)

WHEREAS, on or about February 16, 1960, the voters of the City of Watsonville adopted the City Charter; and

WHEREAS, Article XI of said Charter concerns the management of fiscal matters in the City and is entitled "Fiscal Administration"; and

WHEREAS, Section 1122 of Article XI of said Charter established tax limits in the City of Watsonville for taxes to be used for municipal purposes; and

WHEREAS, Subdivision (b)(2) of Section 1122 authorizes the City to levy and collect a tax sufficient to meet all obligations of the City to the State Employees' Retirement System, or other system for the retirement of the City employees, due and unpaid or to become due during the ensuing fiscal year; and

WHEREAS, on June 6, 2005, a petition was filed in the City Clerk's Office to repeal said Subdivision (b)(2) of Section 1122 of Article XI of the Charter of the. City of Watsonville which would revoke authorization of a property tax for employees' retirement; and

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WHEREAS, the signatures on the petition were examined pursuant to Subdivision (a) of Section 9115 of the California Elections Code and were determined to be sufficient; and

WHEREAS, on August 23, 2005, the City Council adopted Resolution No. 177-05 (CM) calling a Special Municipal Election on whether to repeal Subdivision (B)(2) of Section 1122 of Article XI of the Charter of the City of Watsonville requiring a property tax to be collected for the purpose of paying the city's obligations to the Public Employees' Retirement; requesting consolidation of this Special Municipal Election with the California Gubernatorial Primary Election to be held on June 6, 2006; and

WHEREAS, California Government Code Section 29103 requires the County Auditor to calculate all the tax rates for adoption by the Board of Supervisors on or before September 1st of each year; and

WHEREAS, if the election is held in November and the repeal is successful it would create unintended consequences in relation to the tax bills; and

WHEREAS, the City Council of the City of Watsonville desires to call a Special Municipal Election for the purpose of submitting to the qualified electors of the City of Watsonville a proposal whether to repeal Subdivision (b)(2) of Section 1122 of Article XI of the Charter of the City of Watsonville requiring a property tax to be collected for the purpose of paying the City's obligations to the public employees' retirement; and

WHEREAS, a California Gubernatorial Primary Election will be held on Tuesday, June 6, 2006, and it is the desire of the City Council that this Special Municipal Election for the City of Watsonville be consolidated with the California Gubernatorial Primary Election.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATSONVILLE, CALIFORNIA, AS FOLLOWS:

SECTION 1. That a vote whether to repeal Subdivision (b)(2) of Section 1122 of Article XI of the Charter of the City of Watsonville requiring a property tax to be collected for the purpose of paying the City's obligations to public employees' retirement is hereby called to be held in the City of Watsonville on Tuesday, June 6, 2006, at which election shall be submitted to the qualified electors of the City of Watsonville the following measure.

Ballot Question:

Shall the City of Watsonville repeal Subdivision (b)(2) of Section 1122 of Article XI of the Charter of the City of Watsonville requiring a property tax to be collected for the purpose of paying the City's obligations to the public employees' retirement?

Yes _____

No _____

The ballot measure text will read as follows:

**PROPOSED AMENDMENTS TO THE CHARTER OF THE
CITY OF WATSONVILLE
SPECIAL MUNICIPAL CHARTER AMENDMENT ELECTION
JUNE 6, 2006**

The Council of the City of Watsonville hereby submits to the registered and qualified electors of the City for their adoption or rejection, the following proposals to amend the Charter of the City of Watsonville:

“Subdivision (b)(2) of Section 1122 of Article XI of the Charter of the City of Watsonville is hereby repealed.”

SECTION 2. That the Santa Cruz County Elections Department **is** hereby requested to print the hereinabove measure text exactly as filed or indicated on the filed document in the Voter’s Information Pamphlet section of the Sample Ballot for the June 6, 2006, election. **Cost** of the printing and distribution of the measure text will **be** paid by the City.

SECTION 3. That the City Clerk of the City of Watsonville is hereby ordered and directed to cause ~~to~~ be published a synopsis of the measure to be submitted at the Special Municipal Election in the time, manner and form required by Section 12111 of the Elections Code of the State of California.

SECTION 4. That the Special Municipal Election hereby called shall be held and conducted and the votes thereat canvassed and the returns thereof made, and the results thereof ascertained and determined as herein provided, and in all particulars not prescribed in this resolution, the Special Municipal Election shall be held as provided for in the Charter of the City, and in all particulars not provided for therein, the election shall be held as provided by law for the holding of special municipal elections in the City of Watsonville and otherwise in accordance with the Elections Code of the State of California.

All persons qualified to vote at municipal elections in the City of Watsonville on the day of the election herein provided for shall be qualified to vote on the measure hereby submitted at the election.

To vote in favor of the measure a voter shall mark the voting square to the right after the word "Yes" on the ballot to the right of such measure, and to vote against the measure a voter shall mark the voting square to the right after the word "No" on the ballot to the right of such measure. If a majority of the qualified voters voting on the measure vote in favor thereof, such measure shall be deemed ratified.

SECTION 5. That the Board of Supervisors of the County of Santa Cruz is hereby requested to order the consolidation of said special election with the statewide election to be held on Tuesday, June 6, 2006. The Board of Supervisors of the County of Santa Cruz is further requested to order the County Clerk (1) to set forth on all sample ballots to be mailed to the qualified electors of the City of Watsonville for said consolidated election the text of the ballot measure as set forth hereinabove, arguments (if any) for and against said measure, and other authorized material (if any), and (2) to provide absent voter ballots for said election for use by the qualified electors of the City of Watsonville who are entitled thereto, in the manner provided by law.

The Board of Supervisors of the County of Santa Cruz is hereby further requested to direct the County Elections Official to canvass, or cause to be canvassed, as provided by law, returns of said special election and to certify such canvass of the votes cast for and against said measure to the City Council of the City of Watsonville.

SECTION 6. That the City Attorney is hereby directed to prepare an impartial analysis for the hereinabove measure.

SECTION 7. That the City Clerk is directed to take the necessary steps to request the addition of this ballot measure on the June 6, 2006, consolidated general election ballot for the City of Watsonville.

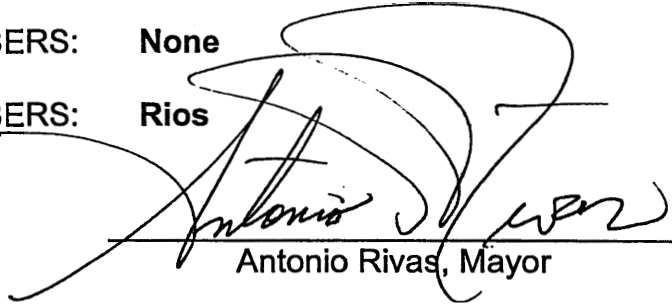
SECTION 8. That the City Clerk is hereby authorized and directed to file a certified copy of this Resolution with the Board of Supervisors and the County Clerk of Santa Cruz County.

The foregoing resolution was introduced at a regular meeting of the Council of the Crty of Watsonville, held on the 24th day of January, 2006, by Member Bersamin, who moved its adoption, which motion being duly seconded by Member Phares, was upon roll call carried and the resolution adopted by the following vote:

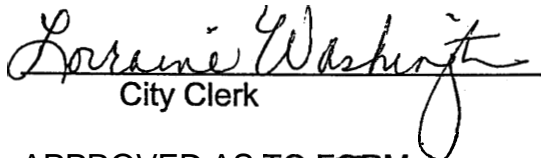
AYES: COUNCIL MEMBERS: **Doering-Nielsen, Gomez, Skillicorn, Phares, Bersamin, Rivas**

NOES: COUNCIL MEMBERS: **None**

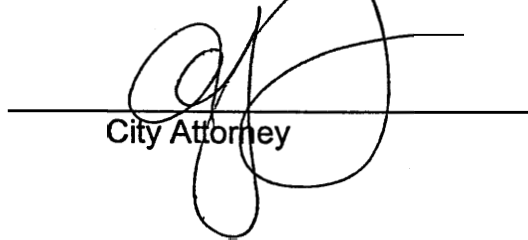
ABSENT: COUNCIL MEMBERS: **Rios**


Antonio Rivas, Mayor

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney

SCOTTS VALLEY FIRE PROTECTION DISTRICT FEB 28 AM 11:48

RESOLUTION NO. 2006-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SCOTTS VALLEY FIRE PROTECTION DISTRICT DETERMINING THE NECESSITY TO INCUR A GENERAL OBLIGATION BOND INDEBTEDNESS IN CONNECTION WITH THE CONSTRUCTION OF A NEW FIRE STATION AND AN ADMINISTRATION BUILDING AND LEVY A SPECIAL TAX THEREFOR, CALLING A SPECIAL ELECTION THEREON, REQUESTING CONSOLIDATION OF SAID SPECIAL ELECTION, AND AUTHORIZING PREPARATION OF A TAX RATE STATEMENT

SCOTTS VALLEY FIRE PROTECTION DISTRICT

BE IT RESOLVED by the Board of Directors ("Board") of the Scotts Valley Fire Protection District ("District") resolves **as** follows:

1. The construction of a new fire station and administration building on certain real property owned by and located within the District **has** been proposed. The real property on which the new fire station and administration building are proposed to be constructed is located at 6000 La Madrona Drive, Scotts Valley, California 95066, and constitutes a portion of the real property commonly known **as** Santa Cruz County Assessor's Parcel No. 021-141-20.

2. Pursuant to Section 13925 **of** the California Health and Safety Code, the Board does hereby find, determine, and declare that in order to assist in financing the construction **of** the aforesaid proposed fire station and administration building it is necessary to incur a General Obligation bond indebtedness.

3. The purpose for which the proposed debt is to be incurred is to provide a portion of the **funds** necessary to pay for the cost of construction **of** said improvements and expenses incidental thereto, including, but not limited to, architectural and engineering fees and costs, as well **as** to pay all expenses incurred by the District in connection with the conducting of proceedings for the authorization, issuance, and sale of bonds. It is the intent of this Board to utilize existing sources of funds to the maximum practical extent, consistent with prudent financial management, to reduce the overall debt obligation required to finance the new station and to use existing revenue streams to reduce the annual debt service. Specifically, the Board intends to use the proceeds from the sale of the Sims Road station, the proceeds from the sale of the unused Glenwood lot, and funds in the Zone A capital improvement account to reduce the amount of the Bond offering. These amounts are \$450,000, \$400,000 and \$350,000, respectively. Further, the Board intends to utilize part of the revenue stream for the Zone A account to reduce the annual debt service throughout the period of Bond indebtedness. This amount is currently estimated **at** \$55,000 per year, and will increase annually in proportion to the increase in total assessed valuation in Zone A.

4. The construction of the fire station and administration building is necessary to carry out the objects, purposes and powers of the District.

5. The cost of construction of the fire station and administration building, and the expenses incidental thereto, is and will be too great to be paid out of the ordinary revenue available to the District after the District meets the costs of providing services pursuant to Section 13862 of the Health and Safety Code.

6. The maximum amount of the proposed General Obligation bond debt to be incurred is not to exceed \$8,000,000.

7. The bonds may be issued in more than one series and the ~~maximum~~ term the bonds of each series proposed to be issued shall run before maturity shall not exceed thirty (30) years from the date of issuance.

8. Consistent ~~with~~ Section 53531 of the California Government Code, the maximum rate of interest to be paid on the bonds shall not exceed twelve percent (12%) per year payable semiannually, unless a higher rate is permitted by law.

9. To pay the interest and principal, and any premium, on any bonds issued, the District proposes to annually levy for thirty (30) years after each series of bonds is issued or until the bonds are fully paid a special ad valorem tax on all property' in the District subject to taxation by the District, at a rate sufficient for these purposes and based on assessed valuation.

10. Pursuant to Sections 13925 et seq. of the California Health and Safety Code, this Board hereby calls a District-wide special election for June 6, 2006 at which the proposition of authorizing the District to incur the General Obligation bond indebtedness in connection with the construction of a new fire station and an administration building shall be submitted to the voters, along with the proposition of the levy of the special ad valorem tax.

11. The Board does hereby request the Santa Cruz County Board of Supervisors to approve consolidation of said special District-wide election ~~with~~ any other elections conducted by Santa Cruz County within the territory of the District on said date.

12. The measure to be submitted to the voters of the District and to be placed on the June 6, 2006 ballot and in any ballot pamphlet shall read substantially as follows:

MEASURE —

SCOTTS VALLEY FIRE PROTECTION DISTRICT BOND MEASURE

Shall the Scotts Valley Fire Protection District be authorized to issue general obligation bonds (in multiple series, no bond exceeding 30 years from issuance) in a principal amount not exceeding \$8,000,000, bearing interest at legal rates, to assist in constructing a new fire station and administration building, pay costs of issuance, and levy an ad valorem tax on taxable property in the District at a rate sufficient to pay for the bonds and administration thereof?

The words "YES" and "NO" shall be printed on the ballots so that the voters may express their choice on the aforesaid proposition.

13. That all the purposes enumerated in the foregoing measure shall be united and voted upon as one single proposition.

14. That the Chair of the Board is hereby authorized and directed to prepare or cause to be prepared a ~~tax~~ rate statement (the "~~Tax~~ Rate Statement") conforming to the requirements of Section 9401 of the Elections Code, and to file or cause to be filed said ~~Tax~~ Rate Statement with the Santa Cruz County Elections Department.

15. The Secretary to the Board is hereby authorized and directed to file or cause to be filed with the Santa Cruz County Elections Department a map showing the boundaries of the District and to execute ~~and~~ file with the Santa Cruz County Elections Department any forms or applications required by it in connection with the consolidation ~~of~~ the special election herein referenced.

16. That the Santa Cruz County Elections Department is hereby requested to include the ~~Tax~~ Rate Statement in all official publications pertaining to the special election herein called, pursuant to the provisions ~~of~~ Section 9402 of the Elections Code.

17. That the members of the Board are hereby authorized, but not directed, to prepare and file with, or cause to be prepared and filed with, the Santa Cruz County Elections Department a ballot argument in favor of the proposition set forth above, within the time established by law.

18. This Board hereby requests the Board of Supervisors of Santa Cruz County, pursuant to Elections Code Sections 10400, 10401 and 10403 to consolidate ~~this~~ District-wide special election with the statewide election to be conducted in Santa Cruz County on June 6, 2006.

19. Upon approval by the Santa Cruz County Board of Supervisors of the District's request for consolidation of said special District-wide election with the statewide election to be conducted in Santa Cruz County on June 6, 2006, the election shall be conducted in all particulars, including, without limitation, the specification of precincts, polling places, and selection of officers ~~of~~ election, the same as the consolidated statewide election.

20. Without limiting the foregoing in any manner, with respect to the special election herein called on the measure to be submitted, all notices required by law shall be published by, and the date and place for submission of written arguments for and against the measure for inclusion in the ballot pamphlet shall be fixed by the County of Santa Cruz.

21. The District agrees to enter into any necessary service contract with the County of ~~Santa Cruz~~ for its services in connection ~~with~~ the administration and conduct of the election and to pay the reasonable costs of Santa Cruz County relating thereto. The Chair or Vice-Chair of the Board is hereby authorized to execute the service contract on behalf ~~of~~ the District.

22. This resolution constitutes notice of the special General Obligation bond election pursuant to California Health and Safety Code Section 13925 and the Secretary to the Board is

hereby directed to arrange for its publication in the Santa **Cruz** Sentinel, a newspaper of general circulation within the District as soon **as** possible after its adoption in accordance with and subject to the requirements of Section 6066 of the California Government **Code**.

This resolution was **PASSED** and **ADOPTED** at a regular meeting of the **Board** of Directors of the Scotts Valley Fire Protection District held on the 8th day **of** February, **2006**, by the following vote:

AYES: **BOARDMEMBERS:** *Art Smith, Jane Armstrong, Alan Smith, Richard Clark and Rudy Cabigas*

NOES: **BOARDMEMBERS:** None

ABSENT: **BOARDMEMBERS:** None

ABSTAIN: **BOARDMEMBERS:** None


Chair, Board of Directors

ATTEST:

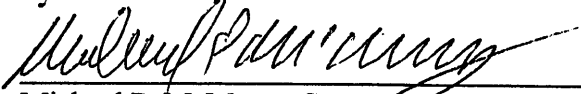

Secretary to the **Board**

CERTIFICATE OF THE SECRETARY OF THE BOARD

0000031

I, the undersigned Secretary to the Board of the Scotts Valley Fire Protection District, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of the Scotts Valley Fire Protection District, Scotts Valley, California, at a regular meeting thereof on the 8th day of February, **2006**, by the vote indicated above, a majority of the members being present, **and** if said resolution is not **the** original thereof, it is **a true**, correct and complete copy of the original of such resolution, which **is** on file in my office.

Dated February **8,2006**.



Michael P. McMurry, Secretary to the Board