



Alum Rock Union Elementary School District

Response to:

RFP No. 2122-BUS02 for Financial Advisor Services

Submitted by:

California Financial Services

555 Corporate Dr., Suite 100
Ladera Ranch, CA 92694



Section 1 – Executive Summary

The executive summary should introduce the firm or individual and must be signed by an authorized officer of the firm or organization or by the individual that binds the terms of the response. The executive summary must contain the following:

1) Legal Name of the firm:

C Financial Investment, Inc., a California Corporation D.B.A. California Financial Services

2) State whether the firm is local, national, or international:

California Financial Services provides services exclusively within the State of California.

3) Type of firm (individual, corporation, etc.):

C Financial Investment, Inc. is an S Corporation.

4) Provide a brief description of your firm, including the number of years in business:

California Financial Services (“CFS”) was founded as an advisory firm with a much broader array of expertise than firms specializing in municipal bond financing alone. The key distinction between CFS and other financial advisors is that our firm works with our clients to develop comprehensive approaches to funding facilities needs that looks beyond a single bond issuance in isolation. Part of this unique approach includes staffing projects with highly skilled and experienced staff with diverse backgrounds and expertise to support the unique needs of our varied clients. Our financial advice typically integrates all a school district’s potential long-term local bond, state and federal revenue/funding sources available for the planning, modernization, improvement, expansion, and construction of school facilities and accounts for the implementation of the solutions over the entire funding lifecycle.

5) Number of employees located in Santa Clara County (or nearby surrounding counties):

CFS does not employ anyone in Santa Clara County. All of our Municipal Advisors work out of our Ladera Ranch office in Orange County but commute often to Santa Clara and surrounding areas.

6) Date firm established:

CFS was founded in 1989 and has been providing the requested services continuously since.

7) California Business License Number:

CFS is not required to maintain a California Business License. Our California Corporation Number is 1435282.

8) Tax Identification Number:

33-0287382

9) Address, telephone, e-mail address, and fax number of the person and office that will be primarily responsible for providing services for the proposal:

Steven Gald
Executive Vice President
California Financial Services
555 Corporate Dr., Suite 100
Ladera Ranch, CA 92694
Office: 949-282-1077
Cell: 949-510-8734
Fax: 949-282-1070
sgald@calschools.com

- 10) If submitting as a team, note which team member (company) is the consultant holding the licensure as an independent registered municipal advisor and the role of and relationship with any subconsultant(s).**

CFS will not require any subconsultants to provide the requested services.

- 11) Certify that you are registered with the SEC and MSRB as an independent registered municipal advisor, as required by Dodd-Frank Act.**

CFS is registered with the SEC and MSRB as an independent registered municipal advisor, as required by Dodd-Frank Act.

- 12) Proposers shall sign and add the following language to the executive summary: “By virtue of this submission, [INSERT RESPONDENT’S NAME] declares that all information provided in this proposal is true and correct.”**

By virtue of this submission, CFS declares that all information provided in this proposal is true and correct.”

C Financial Investment, Inc., a California Corporation
D.B.A. California Financial Services

A handwritten signature in blue ink, appearing to read "Steven Gald", is written over a horizontal line.

Steven Gald
Executive Vice President

Section 2 - Table of Contents

The table of contents is to be included in the RFP and is to be no more than ONE (1) page.

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Section 3 – Proposed Staffing and Project Organization

In this section please discuss the staff of proposing firm who would be assigned to work with the District. Identify persons that will be principally responsible for working with the District. Include short resumes for each designated individual. Indicate the role and responsibility of each individual. This also includes subconsultants. Specifically discuss the team's background, experience, and training in executing the scope of services of this size and scope specified herein.

Each CFS client is assigned a cross-functional team made up of senior staff members with diverse expertise. CFS will support the District with a combination of senior staff members. Steven Gald, CFS' Executive Vice President, will be the lead staff member providing the District with program funding and financial advisory services regarding the bond, and other primary funding/revenue services that CFS may provide the District in developing and implementing its long-term school funding program. Jesse Landre will work closely with Steven Gald and the District to bring to bear his extensive experience in the areas of municipal finance and school facilities funding. In addition to these staff members there are several other staff members who may be relied on for their specific expertise including non-MA professionals employed by CFS. These non-MA professionals include CPAs, a former auditor, former school CBOs, a governmental purchasing officers and State employees.

Senior Staff:	Steven Gald Executive Vice President
Primary Role:	Financial Planning & Financial Advisory
Experience	20-Years - \$1+ Billion
Office:	Southern California

As Executive Vice President, Mr. Gald brings his years of experience to bear in serving CFS' school district clients. In his role, his responsibilities include: a) development of financial programs tailored to each client's needs; b) development of planning and administrative support functions for each client; and c) financial and technical support to other employees and clients of the firm.

Mr. Gald has participated in transactions generating a total of over \$1 billion dollars of school construction funding. In addition, Steven's experience includes assisting school districts in the planning and

implementation of comprehensive school facilities funding programs utilizing the issuance of GO Bonds, COPs, and Lease Revenue Bonds secured by a variety of revenue sources.

Senior Staff:	Jesse Landre Vice President, Financial Advisory Services
Primary Role:	Financial Planning & Financial Advisory
Experience	12-Years - \$1+ billion
Office:	Southern California

Mr. Landre has served a variety of roles over his career while assisting school districts accomplish their facilities funding goals.

Mr. Landre began working with school districts performing daily Community Facilities District ("CFD") administration and special tax consulting services. As his experience grew he rose to creating and managing district-wide facilities funding programs and serving as a municipal advisor and lead developer mitigation negotiator for school districts with large and diverse

funding programs. Mr. Landre's expertise and philosophy of always placing his client's needs as a top priority led to his ascent to a relationship manager position for multiple school districts, where he gained a wide range of experiences through finding creative solutions necessary to help his clients overcome unique school facilities funding challenges.

Mr. Landre has served as a financial advisor to numerous school districts over his career, such as: Menifee USD, Murrieta Valley USD, Lake Elsinore USD, William S. Hart UHSD, Antelope Valley UHSD, Victor Valley UHSD, Rosedale USD, and Hesperia USD. Mr. Landre joined the CFS staff in February of 2020.

Section 4 – Workload and Resources

Time is of the essence in completing the requested scope of work. In this section the proposing firm must discuss the following:

1) Both current and potential time commitments to all clients (not just the District) for the proposed staff:

CFS remains committed to providing each of our clients a unique and tailored solution. As a result, we have a small but highly experienced MA team, and we thoughtfully manage the number of clients and transactions we engage in. **Prior to submitting this response, we reviewed our staffing and commitments and determined that the assigned staff members have ample time to complete the services being requested.**

2) Demonstrate adequate support staff, facilities and other resources to provide services required throughout the duration of this scope of work.

In addition to the staff members listed in Section 3, CFS has adequate non-MA support staff as well as a third MA assigned to aid if the need arises.

3) Briefly address capabilities for providing additional services and/or services under an accelerated schedule.

In our experience moving a typical bond issuance from planning through closing rarely presents many challenges. Where the challenges arise typically are areas that are related to but don't directly connected with the issuance itself. This is where our team's capability really shines. As mentioned earlier in the response the District's assigned MA staff is only the tip of the ice berg when it comes to the services and expertise that can be provided by CFS. In concert with our *KeyAnalytics* (www.keyanalytics.org) division we provide an array of services often critical to the success of your program including:

- Project Planning and Tracking Services (*Keystone Solutions*)
 - Project Revenue and Expenditure Tracking and Reporting
 - Dynamic Cash Flow Planning
 - Strategic Revenue Allocation Consulting
 - Citizen Oversight Committee Reports and Support
 - State and IRS Audit Support
 - Records Retention and Retrieval
- Post Issuance Compliance
- State Revenue Generation
- Developer Mitigation
- Mello-Roos Community Facilities Districts

4) Address capability to reassign personnel, equipment and facilities whenever the proposed contract would not require such capabilities or would be delayed.

CFS maintains the ability to make personnel adjustment in the case of accelerated timeline or delays without effecting the level of service provide to the District.

Section 5 – Expertise

Refer to the “SCOPE OF WORK” section of this RFP and Exhibit A of Appendix D for the Scope of Work. Use this section to demonstrate your firms experience and expertise in:

- 1) Providing financial advisory services to large K-12 suburban school districts.
- 2) Financing projects and improvements supported by various revenue sources including general obligation bonds secured by ad valorem taxes, general fund obligations (including Certificates of Participation (COPs) or lease financings) and special tax bonds (i.e., bonds of a Community Facility District).
- 3) Refinancing outstanding obligations.
- 4) Interacting with the credit rating process, including criteria used by the nationally recognized rating services.

Identify relevant financial advisory engagements performed by the firm in the past five (5) years. Limit response to no more than six (6) of your most recent/relevant engagements.

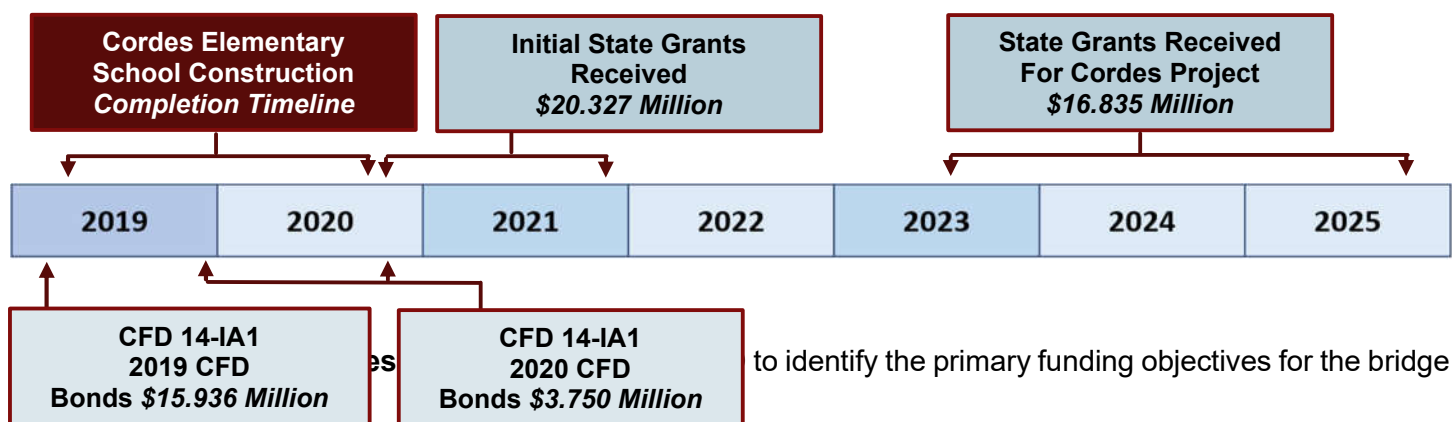
In additional, please disclose any contractual arrangements of the firm that could present a real or perceived conflict of interest.

As mentioned earlier in this response, CFS was founded as a facility funding advisory firm with a “big picture” perspective. As a result, we made an early commitment to acquire talented and experienced staff with the expertise to assist our clients in identifying and taking advantage of school facility funding opportunities everywhere they exist. Our financial advice often integrates many of a school district’s potential long-term local, state, and federal revenue/funding sources available for the planning, modernization, improvement, expansion, and construction of school facilities. We have selected a few case studies that illustrate the combination of our expertise, unique perspective, and commitment to finding the best solution for our clients.

Lammersville Joint Unified School District – Cordes Elementary School Project

Lammersville Joint Unified School District (“LJUSD”) serves the rapidly growing community of Mountain House. Over the last 5-years LJUSD has grown by approximately 2,000 students which equates to an increase of 41.5%. This rapid growth has put tremendous pressure on the LJUSD facilities funding program. LJUSD’s primary sources for funding new facilities are a series of Mello-Roos Community Facilities Districts and State matching grants. Like all school districts who rely on State matching grants, LJUSD has experience significant delays in receiving critically needed State money in recent years. As enrollment swelled at existing schools, LJUSD moved forward with a contract for the construction of the Cordes Elementary School. After it was determined that the \$28,000,000 of State funding needed to complete the project would not be available in time, CFS was asked to work with LJUSD’s existing financing team to develop and implement a bridge financing that would not negatively impact the general fund budget. After analyzing LJUSD’s current and future assets CFS designed a structure for the issuance of Lease Revenue Bonds to meet LJUSD’s objectives. Below is an outline of the structure.

Project Funding Timeline - The timeline below sets forth the planned timeframes for the completion of the Cordes Elementary School project and LJUSD’s receipt of all its current and future permanent funding sources:



to identify the primary funding objectives for the bridge

Funding Adequate to Complete Project on Time	\$28,000,000 was needed prior to September of 2019 to complete the project on time.
Fixed Interest Rates	Though a variable interest rate structure would provide a lower cost of borrowing in the short term, LJUSD wanted to reduce the risk of future interest rate increases and take advantage of very low fixed interest rates.
Periodic Program Prepayments	LJUSD needed the flexibility to periodically payoff the bridge funding program from its future permanent CFD Bonds and State Grants.
Long-Term Repayment Contingency	LJUSD needed a contingency long-term repayment structure – if needed - in the event the future State Grants are delayed and/or unavailable in the future for the periodic payoff of the bridge funding program.

Debt Structuring Features – The Lease Revenue Bonds were structured to meet the objective of LJUSD:

Capitalized Interest 3 -Years	The initial payments do not begin for 3-years (2023). Any Capitalized Interest not needed can be used to prepay a portion of the bonds.
Principal Payments Start in 2025	Interest rate levels allowed LJUSD to delay principal payments until 2025 with almost no interest rate premium.
30-Year Repayment Term	Using a 30-Year amortization allowed LJUSD to keep debt service lower in the initial years and provided flexibility if a portion of the bonds are converted to a long-term funding solution.
Escalating Payments (2% Annually)	An escalating structure provide lower payments in the initial years increasing affordability if State funds were delayed.
Extraordinary Prepayments Starting 2021	The funding structure provides for a special “Extraordinary” prepayment from future CFD Bond proceeds and State Grant reimbursement funds beginning in 2021. This 2-year extraordinary prepayment enables the LJUSD to periodically payoff all, or a portion, of the Bridge Funding Program commencing in 2021 to the final term with 30-day notice.

Summary of Issuance – The Lammersville School Financing Authority 2019 Lease Revenue Bonds (Cordes Elementary School) were issued on August 29, 2019, generating the funding needed to complete the project. Below are some highlights from the issuance:

- Principal Amount - \$31,300,000
- Project Funding - \$28,000,000
- First Payment Due – 10/1/2022 (*partial payment only*)
- Bond Rating – Moody’s A2
- Bond Insurance – Build America Mutual (*split fee structure*)
- Total Interest Cost – 2.946346%
- Repayment Ratio – 1.612:1

Program Update – As mentioned earlier in the response, our service does not stop once the bonds are issued. We support our clients for the entire lifecycle of the financing. On October 1, 2021, CFS worked with LJUSD to make the first prepayment. The prepayment amount was \$17,370,000. This prepayment resulted in a significant reduction in debt service and resulted in the ability for LJUSD to support the Lease Revenue Bond payments from CFD No. 2019-1 Special Taxes through 2041. LJUSD is still waiting to receive the balance of the State funding to pay off the Lease Revenue Bonds. CFS continues to monitor opportunities to prepay an additional portion of the Lease Revenue Bonds by restructuring the existing special tax bonds of CFD No. 2019-1.

County of San Mateo – 2021 Lease Revenue Bond Refinancing

Even though most of our clients are K-12 school districts we do provide advisory services to the County of San Mateo (“County”). The County provides an interesting contrast to our school district clients who typically issue bonds using dedicated revenue streams like General Obligation Bond Measures in that most of the County’s debt is repaid with revenue that could otherwise be used for other purposes including operations and include the interesting nuance of State or Federal reimbursement. This puts an even larger emphasis on finding unique financing structures and solutions. Our school district clients often benefit from our experience with the County as some of the structures and solutions aren’t common in the school district market but can benefit our clients.

An example of one of the unique solutions implemented for the County is the issuance of the 2023A and 2024A Forward Delivery Lease Revenue Bonds (“Forward Refunding Bonds”). In 2021 the County was moving forward with a major project requiring the funding of \$155,000,000 through the issuance of Lease Revenue Bonds. In the planning stage for this issuance, we identified that the County had the opportunity to refinance two series of Lease Revenue Bonds (“Candidate Bonds”) lowering their annual payments significantly. Since the Candidate Bonds could not be called (prepaid) for several years the initial plan was to issue the refunding bonds as federally taxable to allow for the funding of an escrow longer than 90 days. This structure was expected to result in significant escrow efficiency (\$6.8 million) lowering the savings experienced by the County, but the net savings was still compelling.

During the process of selecting underwriters, Morgan Stanley presented an alternative structure for the County’s consideration. Morgan Stanley’s proposal was to issue forward delivery bonds which is a structure where interest rates are agreed to now, but the bonds are not “delivered” until the Candidate Bonds are callable, in our case 2023 and 2024. This structure eliminates the need to issue federally taxable bond and all but eliminates escrow inefficiency. The challenge with this structure has traditionally been finding buyers who were willing to purchase the bonds. Working with Morgan Stanley we were able to align the issuance of the Forward Refunding Bonds with their Municipal Capital Solutions Group (“CSG”). CSG agreed to purchase the Forward Refunding Bonds directly from the County and set the interest rates based on the issuance of the new money bond interest rates. Below is an estimate of the results of this unique structure:

2023A Forward Delivery Bonds

Results	Pre-Issuance Analysis			Actual Results
	Advance Refunding (Public Offering)	Forward Delivery (Direct Purchase)	Difference	
Refunding Par	\$30,380,000	\$30,380,000	\$0	\$30,380,000
PV Savings	\$3,633,725	\$4,392,848	\$729,123	\$4,641,266
True interest Cost	1.75%	1.83%	0.08%	1.62%

2024A Forward Delivery Bonds

Results	Pre-Issuance Analysis			Actual Results
	Advance Refunding (Public Offering)	Forward Delivery (Direct Purchase)	Difference	
Refunding Par	\$67,885,000	\$67,885,000	\$0	\$67,885,000
PV Savings	\$4,613,216	\$5,935,208	\$729,123	\$6,937,424
True interest Cost	1.94%	2.42%	0.48%	2.09%

Section 6 – References

Please provide at least five recent (over five years) districts for whom your firm has provided services similar to what is being requested in this RFP. Referenced school district should be similar in size to the Alum Rock Union Elementary School District. Please include the following information below for each reference:

- 1) Year(s) working with the reference (range and number)
- 2) Institution/entity name
- 3) Contact person
- 4) Contact title
- 5) Contact phone number
- 6) Contact e-mail address
- 7) Dollar value of services
- 8) Brief scope of work provided and dates provided

LAMMERSVILLE JOINT UNIFIED SCHOOL DISTRICT (SAN JOAQUIN COUNTY) CLIENT SINCE 2019)

Location:

111 De Anza Blvd
Mountain House, CA 95391

Contact:

Gloria Grijalva
Assistant Superintendent,
Business Services
Tel: (209) 836-7400 ext. 2332
Email: ggrijalva@lammersvilleusd.net



Description of Services:

- Credit Ratings
- Municipal Advisory for Bond Issuances
- KeyAnalytics Operation Support & Compliance

Bond Issuance*	Amount	Type	Date**
CFD No. 2019-1, Series 2020	\$3,430,000	Special Tax Bonds	12/23/2020
CFD No. 2014-1 IA 1, Series 2020	\$6,320,000	Special Tax Bonds	7/14/2020
2019 Lease Revenue Bonds (Cordes Elementary School)	\$31,300,000	Lease Revenue Bonds	8/29/2019
<p>* CFS provided Municipal Advisory Services for each bond issuance listed. The project location is reflected by the CFD boundaries.</p> <p>** Issuance date reflects the completion date of each bond transaction. Municipal Advisory services are provided to the list district on an ongoing basis.</p>			

In addition to the bond sales listed here CFS provides ongoing Financial Advisory service to the Lammersville Joint Unified School District related to the issuance of additional bonds.

**MANTECA UNIFIED SCHOOL DISTRICT
(SAN JOAQUIN COUNTY)
CLIENT SINCE 2004**

Location:

2271 W. Louise Ave
Manteca, CA 95337

Contact:

Jacqui Breitenbucher
Senior Director of Business Services
Chief Business Officer
Tel: (209) 858-0732
Email: jbreitenbucher@musd.net



Description of Services:

- Credit Ratings
- Municipal Advisory for Bond Issuances
- Developer Mitigation Services
- CFD Formation Services
- *KeyAnalytics* Operational Support & Compliance
- State Revenue Generation

Bond Issuance*	Amount	Type	Date**
GO Bond Election 2020, Series A	\$65,000,000	General Obligation Bonds	10/13/2021
GO Bond Election 2014, Series C	\$36,000,000	General Obligation Bonds	11/14/2018
CFD No. 2000-3, Series C	\$11,405,000	Special Tax Bonds	11/14/2018
GO Bond Election 2014, Series B	\$63,000,000	General Obligation Bonds	10/17/2017
CFD No. 1989-2, Series G	\$9,515,000	Special Tax Bonds	2/1/2017
CFD No. 2000-3 2017 Refunding Bonds	\$12,600,000	Special Tax Bonds	2/1/2017
<p>* CFS provided Municipal Advisory Services for each bond issuance listed. The project location is reflected by the CFD boundaries.</p> <p>** Issuance date reflects the completion date of each bond transaction. Municipal Advisory services are provided to the list district on an ongoing basis.</p>			

In addition to the bond sales listed here CFS provides ongoing Financial Advisory service to the Manteca Unified School District related to the establishment of new CFDs and planning for future bond issuances.

**CENTRAL SCHOOL DISTRICT
(SAN BERNARDINO COUNTY)
CLIENT SINCE 2015**

Location:

8316 Red Oak Street
Rancho Cucamonga, CA 91730

Contact:

Lori Isom
Assistant Superintendent,
Business Services
Tel: (909) 989-8541 ext. 215
Email: lison@csd.k12.ca.us



Description of Services:

- Credit Ratings
- Municipal Advisory for Bond Issuances
- Developer Mitigation Services
- *KeyAnalytics* Operational Support & Compliance
- State Revenue Generation

Bond Issuance*	Amount	Type	Date**
2021 GO Refunding Bonds	\$23,650,000	Taxable General Obligation Bonds	12/9/2021
Election 2014 GO Bonds, Series B	\$12,248,109	General Obligation Bonds	9/13/2018
2016 GO Refunding Bonds	\$25,275,000	Crossover General Obligation Bonds	2/17/2016***

* CFS provided Municipal Advisory Services for each bond issuance listed.

** Issuance date reflects the completion date of each bond transaction. Municipal Advisory services are provided to the listed district on an ongoing basis.

*** Although this transaction was completed more than 5-years ago it is included because of its unique structure.

In addition to the bond sales listed here CFS provides ongoing Financial Advisory service to the Central School District related to the issuance of future bonds.

**LIBERTY UNION HIGH SCHOOL DISTRICT
(CONTRA COSTA COUNTY)
CLIENT SINCE 2015**

Location:

20 Oak St
Brentwood, CA 94513

Contact:

Liz Robbins
Chief Business Officer
Tel: (925) 634-2166
Email: robbsnsl@luhsd.net

Description of Services:

- Credit Ratings
- Municipal Advisory for Bond Issuances
- Developer Mitigation Services
- *KeyAnalytics* Operational Support & Compliance
- State Revenue Generation

Bond Issuance*	Amount	Type	Date**
Election 2016, Series B	\$62,000,000	General Obligation Bonds	10/7/2020
2020 Refunding Bonds	\$32,080,000	Taxable General Obligation Bonds	10/7/2020
Election 2016, Series A	\$60,000,000	General Obligation Bonds	8/10/2017
<p>* CFS provided Municipal Advisory Services for each bond issuance listed. The project location is reflected by the CFD boundaries.</p> <p>** Issuance date reflects the completion date of each bond transaction. Municipal Advisory services are provided to the list district on an ongoing basis.</p>			

In addition to the bond sales listed here CFS provides ongoing Financial Advisory services to the Liberty Union High School District related to the issuance of future bonds.

**WESTSIDE UNION SCHOOL DISTRICT
(LOS ANGELES COUNTY)
CLIENT SINCE 2015)**

Location:

41914 N. 50th Street West
Quartz Hill, CA 92356

Contact:

Shawn Cabey
Assistant Superintendent,
Business Services
Tel: (661) 722-0716
Email: s.cabey@westside.k12.ca.us



Description of Services:

- Conduct RFP for Underwriters
- Credit Ratings
- Municipal Advisory for Bond Issuances
- Developer Mitigation Services
- CFD Formation Services

Bond Issuance*	Amount	Type	Date**
CFD No. 2018-1 IA 1, Series 2021	\$2,980,000	Special Tax Bonds	2/25/2021
CFD No. 2018-1 IA 2, Series 2020	\$2,650,000	Special Tax Bonds	7/23/2020
CFD No. 2005-1 (Private Placement)	\$7,200,000	Special Tax Bonds	7/18/2015***
CFD No. 2005-2 (Private Placement)	\$3,600,000	Special Tax Bonds	7/18/2015***
CFD No. 2005-3 (Private Placement)	\$9,800,000	Special Tax Bonds	7/18/2015***
<p>* CFS provided Municipal Advisory Services for each bond issuance listed. The project location is reflected by the CFD boundaries.</p> <p>** Issuance date reflects the completion date of each bond transaction. Municipal Advisory services are provided to the list district on an ongoing basis.</p> <p>*** Although this transaction was completed more than 5-years ago it is included because of its unique structure.</p>			

In addition to the bond sales listed here CFS has provided ongoing Financial Advisory service to the Westside Union School District related to the establishment of new CFDs and planning for future General Obligation Bond measures.

Section 7 – Rationale for Selection

Proposer should describe, in a narrative form, why they feel they are the best candidate to perform work required by the RFP. Provide additional information you feel relevant to your consideration. Supporting data and other supporting material may be provided in the Appendix portion of your response.

What sets CFS apart can be summarized in three categories.

- **Unique Perspective** – CFS employs a mix of experienced professionals from the private sector and accomplished public sector business leaders who together provide a greater depth of expertise and a broader perspective. We pride ourselves on our understanding of the school facility world from the perspective of the facility planner, the CBO, the Superintendent and the Board.

We believe that this unique knowledge and perspective is critical to our client's success and can only be gained through field work, which is why we employ seasoned professionals and former school CBOs, governmental purchasing officers, Board members and State employees. Our professionals' perspective has been developed through years of experience working hands-on with school districts.

- **CFS' Integrated Client Funding Program Approach** – CFS is uniquely qualified and experienced to provide the financial planning and advisory services needed to address the complex needs of school districts with an active school facilities construction program funded from multiple revenue/funding sources - *with each source having its own rules, restrictions and ongoing responsibilities for reporting and complying with legal/contractual obligations.* CFS develops, implements and manages fully integrated long-term School Funding programs for many of our school district clients.

School districts that work with CFS directly benefit from existing funding strategies and programs that have been implemented and time tested at other school districts and have access to the CFS team of experts that are tasked with customizing these proven systems to best fit the school district's specific situation and objectives.



- **Unwavering Commitment to Ongoing Client Support Services** – CFS is uniquely committed within the industry to supporting our clients throughout their entire School Facilities Program lifecycle. Over the last five (5) years CFS has made additional commitments of capital and expanded its staffing to enhance its capacity to provide operational support services to our school district clients. A significant part of this commitment is the hiring of one of the premier developer mitigation and CFD formation/administration teams in California. This addition recognizes the increasingly complex compliance environment and the rising importance of development impact revenue as the State continues to signal its desire to exit from the School Facilities Program.

Section 8 – Form of Agreement

The final form of the Agreement, as set forth in Appendix D, will incorporate the final scope of services and not-to-exceed fee negotiated between the District and the selected firm(s). Any objection to the form of Agreement must be identified by Proposer in its Proposal. Proposers must set forth a clear explanation of what modification would be sought and specific alternate language. If selected, Respondent will be precluded from negotiation changes that have not been identified in its Proposal the District will review, but is not obligated to accept, any proposed changes.

CFS has no changes to request.

Section 9 – Documentation of Financial Responsibility and Fiscal Stability

The Proposer should provide evidence of the firm's corporate stability including:

- 1) A current report from any commercial credit rating service such as Dunn and Bradstreet or Experian; or
 - 2) A letter from a financial institution stating a current line of credit; and Latest audited financial statement and/or annual report that have been certified by a CPA.
-

C Financial Investment Inc does not prepare audited financial statements. The following pages are a current report from dun & bradstreet. If the District requires additional information regarding the financial stability of the company we would be happy to provide it.

Section 10 – Litigation/Disputes/Disciplinary Action

Provide specific information on termination for default, litigation settled or judgements entered within the last five (5) years related to your firm. Also, provide information relative to any convictions for filing false claims within the past five (5) years or any investigations conducted regarding your firm.

In addition, provide the project name, date of dispute/claim, name of entity against whom the Claim was filed, a brief description of the nature of the claim, the court and case number and a brief description of the status of any claim in excess of \$10,000 made against owner concerning professional services work performed by consultants or sub-consultant work for consultant. Provide details of any of the following actions:

- 1) If any regulatory agency has taken disciplinary action against firm or any consultant team members.
 - 2) If the firm has ever been convicted of a federal or state crime of fraud, theft or other act of dishonesty.
 - 3) If the firm has ever been convicted for a crime involving any federal, state, or local law.
 - 4) If a licensed individual on the proposed team or to the firm has been found liable in a civil suit for material misrepresentation to any public agency or entity.
 - 5) If in the last five (5) years a licensed individual on the proposed team or the firm has been debarred, removed or otherwise prevented from bidding on, or competing on any government agency or public works project for any reason.
 - 6) If any insurance carrier in the last five (5) year, for any form of insurance, refused to renew an insurance policy for a licensed responsible-in-charge individual on the proposed team or the firm based on non-payment or losses.
 - 7) Failure to enter into a contract or professional services agreement once selected.
 - 8) Withdrawal of a proposal as a result of an error.
 - 9) Termination or failure to complete a contract.
 - 10) Conviction of the firm or its principals for violating a state or federal antitrust law by bid or proposal rigging, collusion, or restrictive competition between bidders or proposers, or conviction of violating any other federal or state law related to bidding or professional services performance. Knowing concealment of any deficiency in the performance of a prior contract.
 - 11) Falsification of information or submission of deception or fraudulent statements in connection with a contract.
 - 12) Willful disregard for applicable rules, laws or regulations.
-

CFS has never been the subject of legal action or investigation regarding the violation of the law in connection with an offering of municipal securities. Furthermore, CFS and/or its sub-consultants have not been the subject of any litigation, disputes or disciplinary actions as detailed in the RFP.

Section 11 – Fee Proposal

Provide your firm’s fixed fees for the issuance of General Obligation Bonds, Certificates of Participation (COPs), Tax and Revenue Anticipation Notes, Refunding Issuances, and Bond Anticipation Notes. Further, identify your firm’s hourly fees for any “additional services” identified in the form of Agreement, and consultant fees, if any, for services the District may require for municipal financing not directly related to incident to the issuance of Bonds or other debt obligations. As the District may issue Bonds, COPs and/or refund other debt on the same day, include what your maximum fee will be for combined transactions. If there are to be changes for reimbursable expenses, please list all charges to be considered reimbursable and provided not to exceed amounts for said expense. A submittal containing terms such as “negotiable”, “will negotiate”, or similar, will be considered non-responsive.

Financial Advisory Services Related to the Issuance of Debt

Set forth herein are CFS’ proposed fees, and expense basis, for providing the District with the financial advisory services related to the issuance of debt.

Financial Advisory Services for Combined Transactions

In the event the District issues more than one series of municipal debt on a parallel issuance schedule, CFS will reduce its fees for financial advisory services to reflect the reduced scope of work associated with the combined efforts. For financial advisory services associated with the issuance of two series of General Obligation Bonds on a parallel issuance schedule, the total maximum financial advisory fees will not exceed **\$80,000**. For financial advisory services associated with the issuance of two series of bonds on a parallel issuance schedule that includes Certificates of Participation, the total maximum financial advisory fees will not exceed **\$90,000**.

Issuance Fees

Bond Issuance Type	Fee ^[1]
General Obligation Bonds	\$45,000
Certificates of Participation	\$60,000
Tax and Revenue Anticipation Notes	\$25,000
Bond Anticipation Notes	\$30,000
<i>^[1] Fees apply to both Refunding and New Money issuances.</i>	

Financial Advisory Services Not Related to the Issuance of Debt

CFS financial planning and advisory services not associated with the issuance of municipal debt are based on the following hourly rates.

Continuing Disclosure Compliance Services

At the District’s request, CFS can perform continuing disclosure compliance services to assist the District with the preparation and filing of required reports and material event notices associated with outstanding debt. The fees associated with continuing disclosure compliance services are as follows:

Hourly Rates

CFS Staff Member	Hourly Rate
Lead Principal	\$250
Associate Professional	\$200
Analytical Support	\$125
Office/Clerical	\$85

The annual fee for each unique Annual Report prepared and filed in accordance with a continuing disclosure agreement will be **\$2,000**. An annual fee of **\$500** will be charged for each Annual and Debt Transparency Report prepared and filed with CDIAC. The fee for the preparation and disclosure of required notices shall be based on the time and materials expended at the **hourly rates** presented above.

Reimbursement for Out-of-Pocket Expenses

CFS will be reimbursed for out-of-pocket expenses (subject to prior district approval) and travel expenses including; meals and accommodations when traveling to locations other than the District’s offices. Financing related expenses will not exceed **\$3,500** per issuance. Out of pocket expenses related to data required for the preparation of an Annual Report will not exceed **\$500**.

Section 12 – Required Attachments

Include Attachments A, B, and C signed as indicated.

Attachment D has been excluded as directed in Addendum No. 2.

Attachment A- Proposal Form

Alum Rock Union Elementary School District
Purchasing Department
2930 Gay Avenue
San Jose, CA 95127

Re: Request for Proposal No. 2122-BUS02

To: Members of the Board of Trustees

The undersigned, doing business under the full and complete legal firm name as set forth below, having examined the Notice to Proposers, the entirety of the Request for Proposals, , the Agreement, and all other documents forming a part of the Proposal package for the above-referenced proposal, hereby proposes to perform the Agreement, including all of its component parts, and to furnish all materials called by them for the entire order for the prices set forth in the quotation sheets contained in said proposal package. The entire proposal package is submitted, together with this Proposal Form.

Name of Company: C Financial Invesment Inc. D.B.A California Financial Service

Legal Status: California S Corporation
(i.e., sole proprietorship, partnership, corporation)

Tax I.D. Number: _____
(Sole Proprietorship only)

Address: 555 Corporate Dr., Suite 100 Ladera Ranch, CA 92694

Authorized Representative: 
Signature

Steven Gald
Name (print or type)

Executive Vice President
Title

Date: Janaury 6, 2022

Telephone: 949-282-1077




Fax: 949-282-1070

Email: sgald@calschools.com

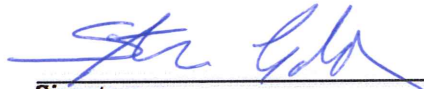
Attachment B - Receipt of Request for Proposal (RFP) and Addenda

Upon return of the completed RFP for Consultant Services, the proposer shall acknowledge receipt of the RFP, all supporting documents, and all addenda. It is the proposer's responsibility to check the District website at <https://www.arusd.org/purchasing/bids> for addenda. Failure to acknowledge all issued documentation may be grounds for deeming the proposer non-responsive.

Please list each document received and initial where indicated.

Document Name	Initial
1 RFP dated December 3, 2021	
2 Addendum 1 (if applicable)	
3 Addendum 2 (if applicable)	
4 Addendum 3 (if applicable)	
5 Addendum 4 (if applicable)	
6 Addendum 5 (if applicable)	
7 Addendum 6 (if applicable)	
8 Addendum 7 (if applicable)	

I, the undersigned, on behalf of the (proposer) certify that I have received all documents listed above.



Signature

Executive Vice President

Title

January 6, 2022

Date



ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

2930 Gay Avenue, San José, CA 95127 · Phone: 408-928-6800 · Fax: 408-928-6416 · www.arusd.org

ADDENDUM 1 FOR RFP No. 2122 – BUS02

Financial Advisor Services

Q & A

Q. The RFP states that questions are due no later than "4:00:00 p.m. (California time) on Friday, December 14, 2021". Given that December 14 is next Tuesday (not Friday), did you mean Friday, December 17?

A. *On page four labeled "Schedule of Events" of the RFP, the Deadline for Questions and Inquiries states that the date is Friday, December 14th, 2021. This is incorrect and it should read as follows:*

Deadline for Questions & Inquiries


Tuesday, December 14, 2021

Q. Although we see that the RFP discussed submitting hard copies (which of course would require shipping and allowing for shipping time), would the District would consider allowing proposals to be submitted just via email instead?

A. *At this point the Alum Rock School District will only accept proposals in a sealed envelope or box with the proposal number and closing date visibly displayed on the outside as stated on the RFP.*

Please submit a signed copy of this addendum with your RFQ response.

Company Name: C Financial Investment Inc D.B.A California Financial Services

Signature: 

Print Name: Steven Gold Date: 1-6-2022

Hilaria Bauer, Ph.D., Superintendent

Board of Trustees: Corina Herrera-Loera, President · Andrés Quintero, Vice-President
Ernesto Bejarano, Clerk · Linda Chavez, Member · Minh Pham, Member



ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

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ADDENDUM 2 FOR RFP No. 2122 – BUS02 Financial Advisor Services Q & A

Q. The Form of Agreement mentions contingent fees. Just to be clear, does the District require contingent fees? We ask because we do not work on a contingency fee basis.?

A. As to the first question, fees on a contingency basis are not being required and are in fact not desirable to the District for any proposed “pre-election” services. Pre-election services may be flat fee or hourly, and will not be paid or reimbursed from proceeds of any future bond issue.

That said, the District is familiar with and expects to receive a fixed fee proposal for each bond transaction of a given type (e.g., “new money” bonds, refunding bonds, Certificates of Participation financings, etc.), which fee is contingent upon the successful closing of the transaction and paid from proceeds of the financing. For all municipal advisory services being proposed, whether fixed fee or per-unit/hourly fees, the District will need to receive a proposal with a clear delineation of all fees and expenses being proposed that are related to the service being offered, whether pre-election services, in connection with a bond transaction, or post-issuance services. To the extent any of your firm’s services are provided on an hourly billing basis, the District requires that you provide a schedule of your hourly charges for any proposed professionals within the firm (or any subcontractors) providing the services.

Q. Page 7 of the RFP refers to a “pricing sheet”. We don’t see one in the RFP. Of course, we would include in our proposal document information regarding our fees (non-contingent) per page 16 of the RFP.

A. Pricing sheet or template is not provided in the RFP. However, a pricing sheet needs to be provided by each firm following the instructions on page 16, section 11 under the RESPONSE CONTENT section.

Q. Page 16 of the RFP mentions including attachments A, B, C, and D signed as indicated. Since attachment D is the blank Form of Agreement, and therefore not ready for signature, how would you like to handle this? Perhaps it doesn’t need to be included?

A. Attachment D of RFP does not have to be included. This Agreement will be tailored to the awarded firm.

Hilaria Bauer, Ph.D., Superintendent

Board of Trustees: Corina Herrera-Loera, President · Andrés Quintero, Vice-President
Ernesto Bejarano, Clerk · Linda Chavez, Member · Minh Pham, Member

Q. We see in the RFP the overview description of the types of financial advisory services the District may request. Is there a specific financing or project the District is currently considering for 2022, such as perhaps issuing bonds?

A. Issuance of bonds and parcel tax, but may included other services noted in the RFP.

Q. Is there a firm assisting the District with continuing disclosure reporting or is the District preparing and filing the reports entirely on its own? If there is a firm assisting the District, can you please let us know who that is.

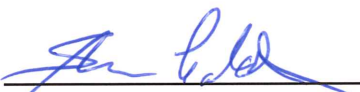
A. Yes, we have a firm that is assisting the District with continuing disclosure. The District would like to refrain from disclosing the name of the firm.

Q. We understand that the District's 2016 general obligation bond measure (Measure I) reapproved \$139,999,671.60 of bonds originally approved by voters in June 2008 (Measure G) and that, following the successful Measure I election, this amount of remaining Measure G authorization was cancelled. Can you please let us know why the District implemented this plan? Was there something about Measure G that made issuing the \$139,999,671.60 bonds pursuant to the original Measure G authorization less attractive or variable (such as wishing to pursue different projects than Measure G authorized)?

A. Please see attached Board Resolution (Exhibit A).

Please submit a signed copy of this addendum with your RFQ response.

Company Name: C Financial Investment Inc. D.B.A. California Financial Services

Signature: 

Print Name: Steven Gold Date: 1-6-2022

Hilaria Bauer, Ph.D., Superintendent

Board of Trustees: Corina Herrera-Loera, President · Andrés Quintero, Vice-President
Ernesto Bejarano, Clerk · Linda Chavez, Member · Minh Pham, Member

Exhibit A

RESOLUTION NO. _____.

RESOLUTION OF THE BOARD OF TRUSTEES OF THE
ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT
ORDERING AN ELECTION, AND ESTABLISHING
SPECIFICATIONS OF THE ELECTION ORDER

WHEREAS, the Board of Trustees (the "Board") has determined that each public school within the Alum Rock Union Elementary School District (the "District"), needs to be upgraded, repaired, improved, and better equipped, to enable the District to enhance the educational opportunities of all the students in the District and to achieve one of the Board's primary goals of providing comparable schools for all students throughout the District; and

WHEREAS, the State of California (the "State") is not providing the District with enough funding for the District to adequately maintain its educational facilities and academic programs; and

WHEREAS, the Board has concluded that the District's only remedy to avoid undermining its educational programs is to secure local funding that the State cannot take away; and

WHEREAS, the Board has received information regarding the possibility of a local bond measure; and

WHEREAS, such a measure must include mandatory taxpayer protections, including an independent citizens' oversight committee and mandatory audits to ensure funds are spent properly; 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, reduced 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 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; and

WHEREAS, on June 3, 2008, the District's voters approved Measure G, a \$179 million bond measure ("Measure G") under the provisions of Proposition 39; and

WHEREAS, the District has issued \$39,000,328.40 of bonds under Measure G and has determined that it cannot access the remaining authorization on terms that are acceptable to the District and advantageous to the taxpayers of the District; and

WHEREAS, the Board desires to authorize the submission of a proposition to the District's voters at an election to reapprove the issuance of Measure G bonds as new bonds without increasing the total amount of authorized District debt to pay for certain necessary improvements and enhancements to District educational facilities; and

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 monitored by the Citizens' Oversight Committee; and

WHEREAS, pursuant to Education Code Section 15270, based upon a projection of assessed property valuation, the Board has determined that, if approved by voters, the tax rate levied to meet the debt service requirements of the bonds proposed to be issued will not exceed the Proposition 39 limits per year per \$100,000 of assessed valuation of taxable property; and

WHEREAS, Section 9400 *et seq.* of the Elections Code of the State of California (the "Elections Code") requires that a tax rate statement be contained in all official materials, including any ballot pamphlet prepared, sponsored or distributed by the District, relating to the election; and

WHEREAS, the Board now desires to authorize the filing of a tax rate statement and ballot argument in favor of the proposition to be submitted to the voters at the election; 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 Tuesday, June 7, 2016, and to request that the Santa Clara County Registrar of Voters perform certain election services for the District;

NOW THEREFORE, THE BOARD OF TRUSTEES OF THE ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the Board, pursuant to Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506, hereby requests the Santa Clara County Registrar of Voters to conduct an election under the provisions of Proposition 39 and the Act and submit to the electors of the District the question of whether bonds of the District in the aggregate principal amount not to exceed \$139,999,671.60 (the "Bonds") shall be issued and sold for the purpose of raising money for the purposes described in Exhibits "A" and "B" hereto. Both exhibits are directed to be printed in the voter pamphlet. If the Bonds are approved and issued, the Board covenants that it will cancel and shall not authorize the issuance of Measure G bonds in a like amount.

Section 2. That the date of the election shall be June 7, 2016.

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 Exhibits "A" and "B" are 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 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 as well as the importance of the projects to student achievement and enhanced instruction;

(c) that the Board will cause to be conducted an annual, independent performance audit to ensure that the Bond moneys get expended for the 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 in its minutes pursuant to Education Code Section 15274. The Citizens' Oversight Committee shall initially consist of at least seven (7) members and at no time consist of less than seven (7) members, with the possible exception of brief periods to fill any unexpected vacancies. The Citizens' Oversight Committee may not include any employee or official of the District or any vendor, contractor or consultant of the District. The Citizens' Oversight Committee shall include all of the following: One (1) member who is active in a business organization representing the business community located within the District; One (1) member who is active in a senior citizens' organization; One member who is active in a bona fide taxpayer association; One (1) member who is a parent of a child in the District schools; One (1) member is both a parent of a child in the District schools and active in a school site council or PTA. In furtherance of its specifically enumerated purposes, the Citizens' Oversight Committee may engage in any of the following activities relating solely and exclusively to the expenditure of the Proposition 39 bond proceeds:

(i) Receive and review copies of the annual, independent financial and performance audits performed by independent consultant(s);

(ii) Inspect District facilities and grounds to ensure that Proposition 39 bond revenues are expended in compliance with applicable law;

(iii) Receive and review copies of all deferred maintenance proposals or plans developed by the District;

(iv) Review efforts of the District to maximize Proposition 39 bond revenues by implementing cost-saving programs;

(v) Receive from the Board, within three months of the District receiving the above-described audits, responses to any and all findings, recommendations, and concerns addressed in said audits, and review said responses; and

(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.

Section 4. That the authority for ordering the election is contained in Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506.

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

Section 6. That the Santa Clara County Registrar of Voters and the Santa Clara County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on June 7, 2016 within the District.

Section 7. That the Secretary of the Board is hereby directed to send a certified copy of this Resolution to the Santa Clara County Registrar of Voters no later than March 11, 2016.

Section 8. That the Bonds shall be issued pursuant to Section 15264 *et seq.* of the Education Code or Section 53506 of the Government Code. The maximum rate of interest on any Bond shall not exceed the maximum rate allowed by Education Code Sections 15140 to 15143, as modified by Government Code Section 53531.

Section 9. That the Board requests the governing body of any such other political subdivision, or any officer otherwise authorized by law, to partially or completely consolidate such election and to further provide that the canvass of the returns of the election be made by anybody or official authorized by law to canvass such returns, and that the Board consents to such consolidation. The Board further authorizes the submission of a tax rate statement and primary and rebuttal arguments, as appropriate, to be filed with the Santa Clara County Registrar of Voters by the established deadlines.

Section 10. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of Santa Clara County is requested to permit the Registrar of Voters to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse Santa Clara 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.

ADOPTED, SIGNED AND APPROVED this 27th day of February, 2016.

BOARD OF TRUSTEES OF THE ALUM ROCK
UNION ELEMENTARY SCHOOL DISTRICT

By _____
President

Attest:

Secretary

STATE OF CALIFORNIA)
)
SANTA CLARA COUNTY)

I, Dr. Hilaria Bauer, do hereby certify that the foregoing is a true and correct copy of Resolution No. _____, which was duly adopted by the Board of Trustees of the Alum Rock Union Elementary School District at meeting thereof held on the 27th day of February, 2016, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

By _____
Secretary

EXHIBIT A

“To improve local neighborhood schools, fix leaky, deteriorated roofs, improve fire safety, repair/ upgrade classrooms, improve student safety and security, renovate outdated restrooms, upgrade heating/ventilation/electrical systems for energy efficiency, and computer technology, shall \$139,999,671.60 of Alum Rock Union Elementary School District bonds approved by the voters in June 2008, be reapproved at legal rates to renovate, acquire, construct, repair classrooms, sites, facilities/ equipment, with independent audits, citizens’ oversight, no money for administrators’ salaries and all money controlled locally?”

Bonds - Yes

Bonds – No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT BOND MEASURE ELECTION JUNE 7, 2016

“To improve local neighborhood schools, fix leaky, deteriorated roofs, improve fire safety, repair /upgrade classrooms, improve student safety and security, renovate outdated restrooms, upgrade heating/ventilation/electrical systems for energy efficiency, and computer technology, shall \$139,999,671.60 of Alum Rock Union Elementary School District bonds approved by the voters in June 2008, be reapproved at legal rates to renovate, acquire, construct, repair classrooms, sites, facilities/ equipment, with independent audits, citizens’ oversight, no money for administrators’ salaries and all money controlled locally?”

SCHOOLS PROJECT LIST

The Board of Trustees of the Alum Rock Union Elementary School District evaluated the District’s urgent and critical facility needs, including safety issues, enrollment trends, class size, energy efficiency and computer technology, in developing the scope of projects to be funded. In developing the scope of projects, teachers, staff and community members have prioritized the key health and safety needs so that the most critical facility needs are addressed. The Board conducted a facilities evaluation and received public input and review in developing the scope of facility projects to be funded. This input concluded that if these needs were not addressed now, the problem would only get worse. **In approving this Schools Project List, the Board of Trustees determines that the District MUST:**

- (i) **Install and upgrade fire prevention, security and emergency response systems, including safety locks and fencing at school sites so that all students are safe; and**
- (ii) **Repair aging schools including leaky roofs and install and upgrade heating, cooling and ventilation systems to make them more energy efficient; and**
- (iii) **Maximize its resources through efficient facility and financial management, seek energy and utility cost savings, and only spend any local bond money on projects within the District and shall NOT ALLOW BOND MONIES TO BE TAKEN BY THE State; and**
- (v) **Improve instructional technology in classrooms; and**
- (vi) **Insist that all schools be healthy and safe from fire dangers, earthquake risks, and hazardous materials, such as asbestos and mold.**

The Schools Project List includes the following types of upgrades and improvements throughout the District:

Renovation, Repair and Upgrade Projects

Goal and Purpose: Many local elementary and middle schools need significant repairs. This measure will fix aging classrooms, bathrooms, and leaky roofs, replace outdated security systems, fire alarms and sprinklers so children can learn in safe, healthy classrooms.

- Modernize or construct classrooms, science labs, and school facilities.
- Replace or repair deteriorating pipes, plumbing and sewer systems and leaky roofs.
- Repair aging classrooms, bathrooms and school buildings.
- Provide improved, up-to-date technology infrastructure.
- Replace old deteriorating portable classrooms.
- Replace or repair outdated heating, ventilation, air-conditioning and electrical systems.
- Upgrade outdated electrical and energy management systems.
- Renovate or expand multi-purpose rooms/ cafeterias to accommodate more students.
- Renovate libraries, construct gyms and upgrade play fields.

Improve Student Safety and Security Projects

Goal and Purpose: The District needs to upgrade elementary and middle school security to keep children and teachers safe. This measure funds upgrades to fire alarms and sprinklers, and up-to-date security systems to prevent intruders from entering campuses and improves security and communication systems for emergency school lockdowns.

- Upgrade perimeter fencing, fire alarms, sprinklers and fire safety systems for improved student safety.
- Upgrade emergency communication and closed circuit security systems to improve student and staff safety.
- Improve or provide access for students or teachers with disabilities.
- Retrofit schools to meet earthquake safety standards.
- Improve safety at student pick-up and drop-off areas.
- Replace outdated portable classrooms.

District-Wide Instructional Technology and Wiring Projects To Provide a 21st Century Education

Goal and Purpose: This measure will ensure that all students get access to computers and the instructional technology in the classroom they need. It will fix outdated electrical wiring, improve science and computer labs and improve access to computers.

- Provide instructional technology for students.

- Upgrade electrical wiring and classroom technology.
- Upgrade computer and science labs.
- Construct science, technology, engineering and math classrooms.

* * *

The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program management, staff training expenses and a customary contingency, and escalation for unforeseen design and construction costs. In addition to the listed projects stated above, the Schools Project List also includes the payment of the costs of preparation of all facility planning, facility assessment reviews and master plans, environmental studies, construction documentation, inspection and permit fees, and temporary housing of dislocated District activities caused by bond projects, as well as the refinancing of outstanding lease obligations. The upgrading of technology infrastructure includes, but is not limited to, servers, switches, routers, modules, computers, district-wide computer labs upgrades, smart boards, cameras, sound projection systems, wiring every classroom for internet connectivity, wireless networks, wireless access points and controllers, portable interface devices, mobile device management systems, printers, upgraded voice-over-IP, phone systems, call manager and network security/firewall, and other miscellaneous equipment. The repair and improvement of school facilities includes constructing, upgrading, repairing or installing of school site parking, campus accessibility, utilities, playground equipment, hard court surfaces, general site paving, learning walls, tack boards, cabinets, tutoring rooms, restrooms, indoor and outdoor lighting, water heaters, boilers, walkway covers and casework, signage, fire sensors, outdated heating and air conditioning systems, multipurpose rooms used for after-school programs, assemblies, sports, performing arts and serving meals, playgrounds, play fields including turf, food service facilities, enlarge, upgrade or build multipurpose rooms, media/library centers, kitchens and lunch shelters, site classrooms and administration buildings, staff lounges; construct or upgrade child care facilities; reconfigure parking lots and drop off/pick up zones to improve student safety; upgrade electrical wiring; renovate and paint interior and exterior building surfaces to extend their useful life; improve security, install safety and communication systems and equipment, windows and floor coverings (including tiles and carpeting); build or upgrade irrigation systems; make improvements and acquire furnishings and/or other electronic equipment and systems. The allocation of bond proceeds may 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. Some projects throughout the District may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating enhanced and operationally efficient campuses. Necessary site preparation/restoration and landscaping, may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, redirecting fire access, and acquiring any necessary easements, licenses, or rights of way to the property.

Bond proceeds shall be expended only for the specific purposes identified herein. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to the bond projects. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.

CANCEL MEASURE G. District voters previously approved Measure G at an election held in the District on June 3, 2008. However, due to State law limitations imposed on the issuance of bonds under Measure G, the District estimates that it will be unable to issue any additional Measure G bonds in the immediate future. The Board of Trustees of the District has found and determined that there continues to be an urgent need in the District for the completion of the educational projects approved by the District voters under Measure G, and that no other District resources are available to finance such projects. If the bonds are approved and issued, the Board of Trustees of the District has covenanted that it will cancel and shall not authorize the issuance of Measure G bonds in a like amount.

FISCAL ACCOUNTABILITY. IN ACCORDANCE WITH EDUCATION CODE SECTION 15272, THE BOARD OF TRUSTEES WILL APPOINT A CITIZENS' OVERSIGHT COMMITTEE AND CONDUCT ANNUAL INDEPENDENT AUDITS TO ASSURE THAT FUNDS ARE SPENT ONLY ON DISTRICT PROJECTS AND FOR NO OTHER PURPOSE. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. BY LAW, PERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS' OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATION OF A BONA FIDE TAXPAYERS ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS ORGANIZATION. NO DISTRICT EMPLOYEES OR VENDORS ARE ALLOWED TO SERVE ON THE CITIZENS' OVERSIGHT COMMITTEE.

NO ADMINISTRATOR SALARIES. PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE USED ONLY FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION, OR REPLACEMENT OF SCHOOL FACILITIES, INCLUDING THE FURNISHING AND EQUIPPING OF SCHOOL FACILITIES, AND NOT FOR ANY OTHER PURPOSE, INCLUDING TEACHER AND SCHOOL ADMINISTRATOR SALARIES AND OTHER OPERATING EXPENSES.

Attachment C – Non-Collusion Declaration

**NONCOLLUSION DECLARATION TO BE EXECUTED BY
PROPOSER AND SUBMITTED WITH PROPOSAL**

The undersigned declares:

I am the Executive Vice President (title) of C Financial Investment Inc D.B.A
California Financial Services (company name), the party making
the foregoing proposal.

The proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The proposal is genuine and not collusive or sham. The Proposer has not directly or indirectly induced or solicited any other proposer to put in a false or sham proposal. The proposer has not directly or indirectly colluded, conspired, connived, or agreed with any proposer or anyone else to put in a sham proposal, or to refrain from bidding. The proposer has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal price of the proposer or any other proposer, or to fix any overhead, profit, or cost element of the proposal price, or of that of any other proposer. All statements contained in the proposal are true. The proposer has not, directly or indirectly, submitted his or her proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, proposal depository, or to any member or agent thereof, to effectuate a collusive or sham proposal, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a proposer that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the proposer.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on 1/6/2022 [date], at Ladera Ranch [city],
California [state].


Signature

Steven Gald
Name (printed)