

**WEST CONTRA COSTA  
UNIFIED SCHOOL DISTRICT**

**BOARD OF TRUSTEES**



**MISSION STATEMENT**

We provide the highest quality education to enable all students to make positive life choices, strengthen our community, and successfully participate in a diverse and global society.

We provide excellent learning and teaching experiences; safe, student-centered learning environments; and support for all students and employees. We develop and maintain productive community partnerships and individual and collective accountability.

**MEETING OF**  
September 25, 2013

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
BOARD OF EDUCATION  
MEETING AGENDA  
SEPTEMBER 25, 2013**

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**BOARD AGENDA PACKETS AND INFORMATION:**

Complete Board meeting packets are available for review at the Administration Building, the District's six high schools, and at public libraries throughout West County.

Complete Board agendas and packets are available online at: [www.wccusd.net](http://www.wccusd.net).

Any writings or documents that are public records and are provided to a majority of the governing board regarding an open session item on this agenda will be made available for public inspection in the District office located at 1108 Bissell Avenue, Richmond, CA 94801 during normal business hours. In addition, such writings and documents may be posted on the District's website as noted above.

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**VIEWING THE BOARD MEETINGS:**

**Television:**

Live television broadcast of regularly scheduled Board meetings is available by the City of Pinole on PCTV Channel 26/28, the City of Richmond KCRT Channel 28 and the City of Hercules Cable Channel 28. Please check the city websites for local listings of broadcast schedules.

You may also find the complete meeting available on a tape-delay basis through the Richmond City Web Page at: <http://www.kcrt.com> within a few days of the recording date.

Audio recordings of Board meetings are kept on file at the Administration Building, 1108 Bissell Avenue, Richmond, CA 94801 (510-231-1101).

The Board of Education would like to acknowledge Comcast, the cities of Pinole and Richmond, and WCCUSD staff for their generosity and efforts in helping to televise WCCUSD Board of Education meetings.

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**ATTENDING BOARD MEETINGS:**

The public is warmly invited to attend and participate in all WCCUSD Board of Education meetings.

**Location:**      **LOVONYA DEJEAN MIDDLE SCHOOL  
3400 MACDONALD AVENUE  
RICHMOND, CA 94805**

**Time:**            The **Board of Education's Open Session meeting will begin at 6:30 PM.** The Board will convene at **6:00 PM** in the Multi-Purpose Room to receive comments from anyone wishing to address the Board regarding closed session items (Exhibit A). The Board will then adjourn to closed session and reconvene in open session to address the regular agenda (Exhibits B-G) at 6:30 PM.

**Order of Business:** **ORDER OF BUSINESS MAY BE CHANGED WITHOUT NOTICE**

**Special Accommodations:** Upon written request to the District, disability-related modifications or accommodations, including auxiliary aids or services, will be provided. Please contact the Superintendent's Office at 510-231-1101 at least 48 hours in advance of meetings.

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"of children be more careful than anything."  
e.e. cummings

## **B. OPENING PROCEDURES**

- B.1 Pledge of Allegiance**
- B.2 Welcome and Meeting Procedures**
- B.3 Roll Call**
- B.4 Presentation of Student Board Representative from Middle College High School**
- B.5 Report/Ratification of Closed Session**
- \* **B.6 Agenda Review and Adoption** (Public Comment)
- B.7 Minutes: September 11, 2013**
- \* **B.8 WCCUSD Public Comment**

Members of the public are invited to speak to the Board about any matter that is not otherwise on the agenda and is related to issues affecting public education in the WCCUSD. **Approximately 30 minutes will be allocated for this item.** If there are more requests to speak than can be heard within this time limit, “WCCUSD Public Comment” will continue after Item G. Individuals wishing to speak must submit a “WCCUSD Public Comment” form prior to the beginning of this item on the agenda.

Depending on the number of persons who wish to speak, from one to three minutes will be allocated to each speaker at the discretion of the President of the Board in order to accommodate as many speakers as possible. The Board cannot dialogue on any issues brought before it by the public that have not been previously agendized, but may refer these to staff for response and/or placement on future agendas.

## **C. BUSINESS ITEMS**

### **CONSENT ITEMS** (Routine Matters)

Consent Calendar Items designated by “CI” are considered routine and will be enacted, approved and adopted by one motion, unless a request for removal, discussion or explanation is received from any Board member or member of the public in attendance. Items the Board pulls for discussion or explanation will be addressed following Section E.

#### \*CI **C.1 Acceptance of Donations**

Comment:

The District has received donations as summarized, dated September 25, 2013. Staff recommends acceptance of these donations.

Recommendation:

Recommend approval

Fiscal Impact:

As noted per donations summary

#### \*CI **C.2 Approval of Fund-Raising Activities**

Comment:

The planned fund-raising events for the 2013-2014 school year are summarized, dated September 25, 2013.

Recommendation:  
Recommend Approval

Fiscal Impact:  
Additional revenue for schools

**\*CI C.3 Notice of Completion: Bid 1441205-11 Nystrom Elementary School Abatement & Selective Demolition**

Comment:  
Substantial completion notice has been received for: Bid 1441205-11.

Major construction projects are subject to acceptance by the governing board before a Notice of Completion can be processed, and final payment of the contract made. (BP 7470)

Staff recommends acceptance of the work completed by the following contractor:

Performance Abatement, Bid 1441205-11 Nystrom Elementary School Abatement & Selective Demolition.

Recommendation:  
Recommend approval of this notice of completion

Fiscal Impact:  
None

**\*CI C.4 Routine Personnel Changes – Classified**

Comment:  
Routine personnel changes include actions to hire, promote, or terminate classified employees in accord with appropriate laws, established policies and procedures.

Recommendation:  
Recommend approval of Classified Personnel Changes

Fiscal Impact:  
None

**\*CI C.5 Certificated Board Authorization - Education Code 44258.3**

Comment:  
Ed Code 44258.3 allows the Governing Board of a school district to authorize the holder of a multiple subject, standard elementary, single subject or standard secondary, credential with his or her consent, to teach departmental classes in grades K-12 provided the teacher has adequate knowledge of subject matter.

Recommendation:  
Recommend Approval

Fiscal Impact:

None

**\*CI C.6 Acceptance of Contracts for Placement of Student Teachers**

Comment:

Teachers in this district provide supervision and evaluation for student teachers seeking credentials to teach in California public school classrooms. These arrangements are made between the institution of higher education and the individual classroom teacher.

Staff requests approval from the Board of Education to accept Contracts for Placement of Student Teachers as detailed, dated September 25, 2013.

Recommendation:

Recommend Approval

Fiscal Impact:

None

**\*CI C.7 Certificated Provisional Internship Permit (PIP) Request(s)**

Comment:

The Provisional Internship Permit (PIP) was created in response to the phasing out of emergency permits and became effective on July 1, 2005. It allows an employing agency to hire an individual who has not yet met the subject matter competence requirement needed to enter an internship program. Prior to requesting a PIP, the employing agency must verify that a diligent search has been made, and a fully credentialed teacher cannot be found. The PIP is issued for one (1) year and is renewable one time only provided the teacher has taken all appropriate subject matter examinations, but has not yet passed those tests.

Recommendation:

Recommend Approval

Fiscal Impact:

None

**\*CI C.8 Presentation of the Initial Bargaining Proposal from West Contra Costa Unified School District to the United Teachers of Richmond (UTR)**

Comment:

Pursuant to the Educational Employment Relations Act, the initial proposal for negotiations by school districts and labor unions must be submitted at a public meeting of the governing board. The initial proposal of the West Contra Costa Unified School District to the United Teachers of Richmond is presented tonight as an information item. At the next regularly scheduled board meeting this item will come back for public hearing and adoption by the Board of Education.

Recommendation:

The Board of Education accept the initial bargaining proposal to the United Teachers of Richmond (UTR) as an information item.

Fiscal Impact:  
To Be Determined

**\*CI C.9 Initial Bargaining Proposal from United Teachers of Richmond (UTR) to the West Contra Costa Unified School District**

Comment:

Pursuant to the Educational Employment Relations Act, the initial proposal for negotiations by school districts and labor unions must be submitted at a public meeting of the governing board. The initial proposal of United Teachers of Richmond (UTR) to the West Contra Costa Unified School District is presented tonight as an information item. At the next regularly scheduled board meeting this item will come back for public hearing and adoption by the Board of Education.

Recommendation:

That the Board of Education adopt the initial bargaining proposal for labor negotiations with the United Teachers of Richmond.

Fiscal Impact:  
To Be Determined

**\*CI C.10 Joint Initial Bargaining Proposal – with West Contra Costa Unified School District and West Contra Costa Administrators Association (WCCAA)**

Comment:

Pursuant to the Educational Employment Relations Act, the initial proposal for negotiations by school districts and labor unions must be submitted at a public meeting of the governing board. The joint initial proposal of West Contra Costa Administrators Associate (WCCAA) and West Contra Costa Unified School District is presented tonight as an information item. At the next regularly scheduled board meeting this item will come back for public hearing and adoption by the Board of Education.

Recommendation:

That the Board of Education adopt the joint initial bargaining proposal for labor negotiations with the West Contra Costa Administrators Association.

Fiscal Impact:  
To Be Determined

**\*CI C.11 Ratification and Approval of Engineering Services Contracts**

Comment:

Contracts have been initiated by staff using previously qualified consulting, engineering, architectural, or landscape architectural firms to assist in completion of the referenced projects. Many of the firms are already under contract and the staff-initiated work may be an extension of the firm's existing contract with the District. Public contracting laws have been followed in initially qualifying and selecting these professionals.

Recommendation:

Ratify and approve contracts

Fiscal Impact:

Total for this action: \$2,124,312. Funding sources Measure J Bond, Measure D-2010 Bond, and Measure E-2012 Bond.

**\*CI C.12 Ratification and Approval of Negotiated Change Orders**

Comment:

Staff is seeking ratification of Change Orders on the following current District construction projects: New Gompers & LPS Schools; Ohlone ES Phase 1 New Classrooms; Peres ES Modernization; Lake ES Fire/Intrusion System; Grant ES Fire/Intrusion System; Tara Hills ES Restroom Repairs; Lincoln Hills ES Restroom Repairs; Ellerhorst ES Restroom Repairs. Change Orders are fully executed by the District upon signature by the Superintendent's designee. Board ratification is the final step required under state law in order to complete payment and contract adjustment.

In addition to normal ratification, approval of the noted Change Orders for the Peres ES Modernization and Grant ES Fire/Intrusion System projects is required by the Board, with special findings as noted below, because this project is in excess of the Public Contract Code limit of 10% of the original contract value. In accordance with Public Contract Code 20118.4, the Board, by ratifying these Change Orders, finds that it would have been futile to publicly bid the work in question because of the tight time frames to complete this work without affecting the operations of the District, and that the public is best served by having this work completed by the contractor on the project.

Recommendation:

Ratify negotiated Change Orders as noted

Fiscal Impact:

Total ratification and approval by this action: \$69,628.92

**\*CI C.13 Collins Elementary School Restrooms Renovation Project Rejection of Bids and Authorization for Staff to Rebid the Project**

Comment:

This project will provide removal of epoxy coating, wall board and associated hazardous materials abatement; installation of water resistant sheet rock, installation of tile finishes, installation of wall finish; refinishing or replacement of epoxy floors, and painting throughout; reinstallation or replacement of various bathroom accessories and plumbing fixtures.

AE3 Partners completed plans and specifications for the project. The District conducted a public bid of the project. Bids were opened on May 2, 2013. Seven Contractors submitted bids. They were as follows: AM Woo Construction, \$169,000; A & E Emaar Company, \$186,000; Cal-Pacific Construction, \$193,000; Affordable Painting Services, \$197,000; Hung Construction, \$209,000; U.S. Matrix Construction, \$338,000; and HM Construction, \$450,000.

After opening the bids, the District received information that the project schedule would exceed the available window to complete the project. Considering this information, it is appropriate that the District

redesign the project and rebid. Therefore it is recommended that the Board take action at this time to reject all bids and authorize staff to rebid the project after making changes to the design.

Recommendation:

Reject all bids and authorize staff to rebid project with changes as noted above

Fiscal Impact:

Not known at this time. Funded from the Measure D-2010 Bond.

**\*CI C.14 Hercules Middle High School Health Center Project Rejection of Bids and Authorization for Staff to Rebid Project**

Comment:

This project will provide construction of new walls in existing classroom portable for four offices, a conference room and waiting area; relocation of existing light fixtures for new rooms and installation of one new light fixture; removal and replacement of existing A.C. unit with multi-zone HVAC unit with exterior concrete pad mounted condenser; installation of new fire alarm system, intrusion alarm, data and electrical runs and connections; demolition and replacement of existing A.C. ramp landing.

HY Architects completed plans and specifications for the project. The District conducted a public bid of the project. Bids were opened on August 1, 2013. Four Contractors submitted bids. They were as follows: ERA Construction, \$130,000; Hung Construction, \$168,000; Integra Construction Services, Inc., \$194,500; and HM Construction, \$249,980.

After opening the bids, the District received information that there were some unresolved issues raised by the Division of State Architect (DSA) during the review of the project. Considering this information, it is appropriate that the District redesign the project and rebid. Therefore it is recommended that the Board take action at this time to reject all bids and authorize staff to rebid the project after making changes to the design.

Recommendation:

Reject all bids and authorize staff to rebid project with changes as noted above

Fiscal Impact:

Not known at this time. Funded from the Measure J Bond.

**\*CI C.15 Pinole Valley High School Portable Lease**

Comment:

As a part of the new Pinole Valley High School construction project, the District will lease ninety DSA Approved Reconditioned Portable Classroom buildings for the temporary campus. Each portable has power connections, lagging and intercom and data systems. Additionally, each has fire alarm system components (smoke, detector, pull station, horn, strobe, etc.) and intrusion alarm components connected to the site's systems.

The District issued an RFP and received two proposals: McGrath RentCorp dba Mobile Modular Management Corporation \$4,946,113.27; Williams Scotsman \$7,390,157.



Recommendation:

Award contract to Mobile Modular

Fiscal Impact:

Total for this action: \$4,946,114. Funding source Measure D-2010 Bond.

**\*CI C.16 Umbrella Joint Use Agreements for Recreational Facilities and Grounds for the City of El Cerrito**

Comment:

Currently the District has several agreements with the City of El Cerrito (“City”) for use of the District’s recreational facilities and the District’s use of the City’s recreational facilities. The agreements generally only cover certain facilities and have differing terms and conditions governing the use of those facilities. In some instances, no agreement currently exists and use is based on an ad hoc or pre-existing arrangement. This has made scheduling and access to recreational facilities difficult and cumbersome. In order to develop a consistent, singular process, the District has negotiated the provided form of joint use agreement with the City for the purposes of inter-agency coordination to meet the continuous youth and community demands for more developmental and recreational opportunities. The District’s goal was to negotiate one form of agreement that would increase access to the recreational facilities and grounds for District students and the community while also providing consistent policies, procedures and scheduling for use of the District’s recreational facilities and also the District’s use of the City’s recreational facilities.

The Joint Use Agreement contemplates a five (5) year term that can be renewed upon mutual agreement of the parties. The Agreement also contemplates that the parties develop a Master Schedule to jointly coordinate each party’s use schedule. Once the Master Schedule has been mutually agreed upon by the parties, each party’s scheduled use of the recreational facilities shall receive priority over all other use, except as may be otherwise required by law or mutual written agreement of the parties. The Agreement contemplates that the parties shall each pay the other only for the direct costs associated with a party’s use of the other’s facilities.

Recommendation:

Recommend approval of the Umbrella Joint Use Agreements for the City of El Cerrito

Fiscal Impact:

No fiscal impact or implications associated with the approval of these documents.

**\*CI C.17 Interdistrict Attendance Agreement**

Comment:

The eighteen school districts in Contra Costa County will enter into an Interdistrict Attendance Agreement with the approval of the Governing Boards of each district for students seeking transfers to another district. This agreement will provide uniform guidelines across the county.

Recommendation:

Recommend Approval

Fiscal Impact:  
None

**\*CI C.18 Resolution No. 31-1314: Hispanic Heritage Month, September 15, 2013 – October 15, 2013**

Comment:

The West Contra Costa Unified School District applauds the many contributions made by the Hispanic population and recognizes September 15 - October 15, 2013 as Hispanic Heritage Month.

Recommendation:  
Recommend Approval

Fiscal Impact:  
None

**D. AWARDS, RECOGNITIONS, AND REPORTS**

**\* D.1 Report on Community Engagement Efforts in WCCUSD**

Comment:

WCCUSD actively engages all members of its community to achieve student success. The Governing Board recognizes that parents/guardians are their children's first and most influential teachers and that sustained parent involvement allows the assets, innovation, creativity, expertise, and resources offered by our families to greatly improve the education of all students, close the achievement gap, improve access to information, increase parent/community volunteerism, and allow for seamless navigation through district systems, policies and practices.

Tonight, we will provide an update on our community engagement efforts and future plans.

Recommendation:  
For Information Only

Fiscal Impact:  
None

**\* D.2 2013 Summer School, Programs, Data, and Learning**

Comment:

The West Contra Costa Unified School District provides a robust summer program to support student academic growth, prevent summer learning loss, help students gain credits and gain new learning, and thrive.

Staff will provide a report on our summer school and other summer enrichment programs.

Recommendation:  
For Information Only

Fiscal Impact:  
None

**E. COMMITTEE COMMUNICATIONS**

(Education Code 35145.5; Government Code 54950 et seq.)

\* **E.1 Standing Reports**

Representatives of the following committees and employee unions are invited to provide a brief update to the Board. Representatives from these groups need to sign up to speak prior to the beginning of this item on the agenda by submitting a “Request to Address the Board” form. Five minutes may be allowed for each subcommittee or group listed below:

Academic Subcommittee	Public Employees Local 1
Bayside Parent Teacher Association	Safety Committee
Citizens’ Bond Oversight Committee	School Supervisors Association
College and Career Readiness Academies	Technology Committee
Community Budget Advisory Committee	United Teachers of Richmond
Facilities Subcommittee	Youth Commission
Ivy League Connection	

\* **E.2 Superintendent’s Report**

**F. ACTION ITEMS**

\* **F.1 Resolution No. 29-1314 and Resolution No. 30-1314 of the Board of Trustees of the West Contra Costa Unified School District Authorizing the Issuance of West Contra Costa Unified School District (Contra Costa County, California) Election of 2010 General Obligation Bonds, Series B and 2012 General Obligation Bonds, Series A, and actions related thereto**

Comment:

An election was held in the West Contra Costa Unified School District on June 8, 2010 for the issuance and sale of general obligation bonds of the District for various purposes in the maximum amount of \$380,000,000 (“Measure D”). The District now desires to issue its third series of bonds under Measure D in an amount not-to-exceed \$40,000,000.

An election was held in the West Contra Costa Unified School District on November 6, 2012 for the issuance and sale of general obligation bonds of the District for various purposes in the maximum amount of \$360,000,000 (“Measure E”). The District now desires to issue its first series of bonds under Measure E in an amount not-to-exceed \$85,000,000.

- (a) Bond Resolutions authorize the issuance of general obligation bonds (the “Bonds”) under Measure D and Measure E. The resolutions specifies the basic terms, parameters and forms of the Bonds, and approves the form of Purchase Contract and form of Preliminary Official Statement described below. In particular, Section 1 of both Resolutions establishes the maximum aggregate principal amount of the Bonds to be issued (\$125,000,000). Section 3 of both Resolutions authorizes the Bonds to be sold at a negotiated sale, and Section 4 of both Resolutions states the maximum underwriters’ discount (0.6%) with respect to the Bonds.

- (b) Form of Purchase Contract. Pursuant to the Purchase Contract, Piper Jaffray & Co., as representative (the “Representative”) of itself and E. J. De La Rosa & Co. (collectively, the “Underwriters”) will agree to buy the Bonds from the District. All the conditions of closing the transaction are set forth in this document, including the documentation to be provided at the closing by various parties. Upon the pricing of the Bonds, the final execution copy of the Purchase Contract will be prepared following this form.
- (c) Form of Preliminary Official Statement. The Preliminary Official Statement (“POS”) is the offering document describing the Bonds which may be distributed to prospective purchasers of the Bonds. The POS discloses information with respect to, among other things, (i) the proposed uses of proceeds of the Bonds, (ii) the terms of the Bonds (interest rate, redemption terms, etc.), (iii) the bond insurance policy for the Bonds, if any, (iv) the security for repayment of the Bonds (the tax levy), (v) information with respect to the District’s tax base (upon which *ad valorem* taxes may be levied), (vi) District financial and operating data, (vii) continuing disclosure with respect to the Bonds and the District, and (viii) absence of litigation and other miscellaneous matters expected to be of interest to prospective purchasers of the Bonds. Following the pricing of the Bonds, a final Official Statement for the Bonds will be prepared, substantially in the form of the POS.

The bonds are tentatively scheduled to price on October 10, 2013 and the funds will become available when the bonds are delivered, currently scheduled for October 29, 2013. The two resolutions request the Board of Education to take the necessary actions, and approve the form of the documents to be used in the marketing and issuing the Bonds.

Recommendation:

The Board of Education approves Resolution No. 29-1314 and Resolution No. 30-1314 authorizing the issuance of \$125,000,000 of the District’s General Obligation bonds, and actions related thereto.

Fiscal Impact:

\$125,000,000 in proceeds for the Bond fund.

\* **F.2 Approval of Agreement with Public Employees, Local One / AB1200 Public Disclosure of Collective Bargaining Agreement with Local One**

Comment:

District and Local One have reached tentative agreement through collective bargaining for the 2013-2014 school year. A copy of the Tentative Agreement is provided. Local One has ratified the Agreement. It is now presented to the Board of Education for ratification.

School districts are required to publicly disclose the provisions of all collective bargaining agreements before they ratify an agreement. This ensures that the public is aware of the details associated with a tentative collective bargaining agreement before it becomes binding on the district. A summary of the financial implications associated with the agreement is provided. This summary will be provided to the County Office of Education.

The Board will receive public comment on the proposed contract changes and salary adjustments before the Board votes to ratify the Agreement.

We want to take this occasion to thank the representatives of both groups for their time and effort in reaching this accord.

Recommendation:

Recommend that the Board of Education ratify the Tentative Agreement between the West Contra Costa Unified School District and Local One.

Fiscal Impact:

\$598,500 for 2013-14 school year

\* **F.3 Approval of Agreement with School Supervisors Association (SSA ) / AB1200 Public Disclosure of Collective Bargaining Agreement with the SSA**

Comment:

District and SSA have reached tentative agreement through collective bargaining for the 2013-2014 school year. A copy of the Tentative Agreement is provided. SSA has ratified the Agreement. It is now presented to the Board of Education for ratification.

School districts are required to publicly disclose the provisions of all collective bargaining agreements before they ratify an agreement. This ensures that the public is aware of the details associated with a tentative collective bargaining agreement before it becomes binding on the district. A summary of the financial implications associated with the agreement is provided. This summary has also been provided to the County Office of Education.

The Board will receive public comment on the proposed contract changes and salary adjustments before the Board votes to ratify the Agreement.

We want to take this occasion to thank the representatives of both groups for their time and effort in reaching this accord.

Recommendation:

Recommend that the Board of Education ratify the Tentative Agreement between the West Contra Costa Unified School District and the SSA

Fiscal Impact:

\$118,830 for 2013-14 school year

\* **F.4 Appoint a Board Committee**

Comment:

Board Policy 7310 establishes the criteria and processes for “renaming buildings, parts of buildings or athletic fields in honor of the contributions of students, staff members and community members.” With the opening of the new DeAnza High School, community members have expressed interest in naming a room or another portion of the facilities in honor of Karen Mason, a DeAnza graduate and long-term teacher at the school. The policy stipulates that upon request that the Board will appoint a Board subcommittee to “review the nomination and make recommendations for the Board’s final consideration.”

Recommendation:

Recommend that the Board appoint a subcommittee

Fiscal Impact:

None

**G. DISCUSSION ITEMS**

**\* G.1 Board Policy Updates: BP 3515 Campus Security**

Comment:

We are submitting this Board policy to be in compliance with the current Procedures and Codes. This Board Policy was submitted to the Safety Subcommittee on September 13, 2013 and approved.

Recommendation:

Review new Board Policy which will then be recommended for adoption at the October 2, 2013 Board meeting.

Fiscal Impact:

None

**H. UNFINISHED REQUESTS TO ADDRESS THE BOARD** (continued from Item E)

**I. COMMENTS OF THE BOARD OF EDUCATION AND SUPERINTENDENT**

**J. THE NEXT SCHEDULED BOARD OF EDUCATION MEETING**

Lovonya DeJean Middle School – October 2, 2013

**K. ADJOURNMENT**

At 10:00 PM, any items remaining on the agenda that require immediate attention will be moved to this time. All other items will be tabled to another or the following Board meeting in order to make fair and attentive decisions. The meeting will adjourn at 10:30 PM. The meeting may be extended by a majority vote of the Board of Education.

The public may address items which are marked with an asterisk (\*).

**A. CLOSED SESSION**

**A.1 CALL TO ORDER**

**A.2 DISCLOSURE OF ITEMS TO BE DISCUSSED IN CLOSED SESSION**  
(Government Code 54957.7)

**A.3 RECESS TO CLOSED SESSION AS SCHEDULED**

**See Exhibit A**

(Government Code Section 54954.5)

The **Open Session** will resume at the end of the **Closed Session** in the Multi-Purpose Room at approximately **6:30 PM**.

**EXHIBIT A**

(Government Code Section 54954.5)

**CLOSED SESSION AGENDA**

**September 25, 2013**

**1. CONFERENCE WITH REAL PROPERTY NEGOTIATOR**

**2. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION**  
[Government Code Section 54956.9(a)]

- a. WCCUSD v. Orrick
- b. Palmer and Pollack v. WCCUSD
- c. American Standards Properties v. WCCUSD

**3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED/POTENTIAL LITIGATION**  
[Government Code Section 54956.9(b)]

Four cases

**4. LIABILITY CLAIMS** (Government Code Section 54956.95)

**5. CONFERENCE WITH LABOR NEGOTIATORS**

- a. Superintendent/Dr. Bruce Harter
- b. Employee Organizations
  - UTR
  - Local One
  - School Supervisors Association
  - WCCAA
- c. Unrepresented Employees

- Confidential and Management

**6. PUBLIC EMPLOYEE APPOINTMENT**

**7. PUBLIC EMPLOYEE PERFORMANCE EVALUATION** (Government Code Section 54957)

**8. STUDENT DISCIPLINE** (Education Code Section 35146)

Expulsions

**9. PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE/COMPLAINT**  
(Government Code Section 54957)

Certificated / Classified Employee Dismissal

**10. REPORT OF CLOSED SESSION ACTIONS**



West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

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**To:** Board of Education

**Meeting Date:** September 25, 2013

**From:** Wendell C. Greer  
Associate Superintendent, K – Adult Operations

**Agenda Item:** B.4

**Subject:** Presentation of Student Board Representative from Middle College High School

**Background Information:**

A Student Board Representative from Middle College High School will attend the Board of Education on September 25, 2013. We would like to recognize and commend their participation.

**Recommendation:**  
For Information Only

**Fiscal Impact:**  
None

**DISPOSITION BY BOARD OF EDUCATION**

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

**West Contra Costa Unified School District  
Minutes of the Board of Education Meeting  
Lovonya DeJean Middle School  
3400 Macdonald Avenue  
Richmond, CA 94805**

Agenda Item B.7

September 11, 2013

**A. CLOSED SESSION**

**B. OPENING PROCEDURES**

President Kronenberg called the meeting to order at 5:30 P.M. The Board recessed into Closed Session.  
President Kronenberg called the Public Session to order at 6:32 P.M.

**B.1 Pledge of Allegiance**

President Kronenberg led the pledge of allegiance.

**B.2 Welcome and Meeting Procedures**

President Kronenberg offered welcome and instructions to the public regarding the meeting.

**B.3 Roll Call**

**Board Members Present:** Randall Enos, Todd Groves, Madeline Kronenberg, Elaine Merriweather, Charles Ramsey

**Staff Present:** Magdy Abdalla, Engineering Officer; Martin Coyne, Executive Director Bond Finance; Linda Delgado, Coordinator Education Services; Bill Fay, Associate Superintendent Operations; Luis Freese, Executive Director Maintenance and Operations; Sheri Gamba, Associate Superintendent for Business Services; Phil Gonsalves, Senior Director; Wendell Greer, Associate Superintendent K-Adult Schools; Bruce Harter, Superintendent; Debbie Haynie, Executive Secretary; Josh Herrera, Electronics Technician; Mary Phillips, Chief Technology Officer, Nia Rashidchi, Assistant Superintendent Educational Services; Reyna Touriel, Translator; Ken Whitemore, Assistant Superintendent Human Resources

**B.4 Presentation of Student Board Representative from Middle College High School**

Ms. Ivette Alejandra provided a report of activities at Middle College High School.

**B.5 Report/Ratification of Closed Session**

Superintendent Harter asked the Board to ratify action taken in Closed Session to appoint two administrators:

William McGee, Richmond High School Assistant Principal

Cynthia White-Vinson, Lincoln Elementary School Principal

**MOTION: Mr. Ramsey moved approval of the action taken in Closed Session to appoint two administrators. Mr. Enos seconded. Mr. Enos, Mr. Groves, Ms. Merriweather, Mr. Ramsey and President Kronenberg voted yes, with no abstentions and no absences. Motion carried 5-0-0-0.**

**B.6 Agenda Review and Adoption**

**MOTION: Mr. Ramsey moved approval of the agenda. Mr. Enos seconded. Mr. Enos, Mr. Groves, Ms. Merriweather, Mr. Ramsey, Student Representative Ivette Alejandra (advisory vote only), and President Kronenberg voted yes, with no abstentions and no absences. Motion carried 5-0-0-0.**

**B.7 Minutes: August 5, 2013; August 7, 2013; August 12, 2013**

**MOTION: Mr. Ramsey moved approval of the Minutes of August 5, 2013; August 7, 2013; and August 12, 2013. Mr. Groves seconded. Mr. Enos, Mr. Groves, Ms. Merriweather, Mr. Ramsey, Student Representative Ivette Alejandra (advisory vote only), and President Kronenberg voted yes, with no abstentions and no absences. Motion carried 5-0-0-0.**

**B.8 WCCUSD Public Comment**

Orlandus Waters, Betty Burrus-Wright, Thomas Prather, Antonio Aguilar, Luz Angelica Ortega, Martha Serrano, Bobbie Dowling, Karen VanWinkle

**C. BUSINESS ITEMS**

- C.1 Grants/Awards/Agreements**
- C.2 Acceptance of Donations**
- C.3 Approval of Fund-Raising Activities**
- C.4 Summary of Payroll and Vendor Warrant Reports**
- C.5 Contracted Services**
- C.6 Adoption of Resolution No. 34-1314: Replacement of Outdated Warrant**
- C.7 Notice of Completions: Bid 1621223-12 Verde Elementary School Restroom Renovations, Bid 1301223-17 Kensington Elementary School Restroom Renovations, Bid 1251612-14 Grant Elementary School & 1341612-08 Lake Elementary School Restroom Renovations, and Bid 1161223-02 Downer Elementary School Restroom Renovations**
- C.8 Response to Grand Jury Report No. 1311 “Assessing Fiscal Risk”**
- C.9 Acceptance of Contracts for Placement of Student Teachers**
- C.10 Approve the following Revised/New Job Descriptions: Chief Technology Officer; Director, Systems Integration**
- C.11 Board Policy Update: BP 3580 District Records**
- C.12 Ratification and Approval of Engineering Services Contracts**
- C.13 Ratification and Approval of Negotiated Change Orders**
- C.14 Ratification of Staff Awarded Contracts (CUPCCAA)**
- C.15 Mira Vista Elementary School Covered Accessible Ramp Addition Rejection of Bids and Authorization for Staff to Rebid the Project**
- C.16 Agreement for Program, Project and Construction Management Services between West Contra Costa Unified School District and SGI Construction Management (“Agreement”)**
- C.17 Denial of Charter Petition from Summit Schools**
- C.18 Approval of Board Members Travel**
- C.19 Resolution No. 33-1314: Resolution in Support of the Human Rights and Human Relations commission of the City of Richmond, California, Regarding the City of Richmond Human Rights Award 2012-2013**

**MOTION:** Mr. Ramsey moved approval of Consent Items C.1 – C.19. Ms. Merriweather seconded. Mr. Enos, Mr. Groves, Ms. Merriweather, Mr. Ramsey, Student Representative Ivette Alejandra (advisory vote only), and President Kronenberg voted yes, with no abstentions and no absences. Motion carried 5-0-0-0.

**D. AWARDS, RECOGNITIONS, AND REPORTS**

**D.1 2013 Academic Performance Index (API)/California Standards Tests (CSTs) – Report on and Recognition of Schools**

Ms. Rashidchi presented data around the Academic Performance Index, California Standards Tests, testing results, and assessment of critical action taken as result of the test scores. She also acknowledged celebrating schools’ success in meeting API targets and hitting state’s standards. She talked about the slow and steady growth across the District as well as the need to accelerate learning for students. She reported that eleven schools met the state’s API target. Twelve schools also scored over the state target of 800. She further discussed the sense of urgency to close the achievement gap for African American and Latino students being underserved.

Phil Gonsalves provided information regarding the growth in math scores where teacher coaching was provided. Principals Jose DeLeon of Helms Middle School and Dr. Sylvia Greenwood of DeJean Middle School shared information about the academic success of their respective schools.

The Board recognized and congratulated the staff from the following schools for meeting the API score of 800 or above; Collins, Coronado, Fairmont, Harding, Peres, Valley View. The Board also recognized and congratulated the staff from schools for meeting all Academic Performance Index targets and subgroups; Helms, DeJean, Kennedy, North Campus and Vista High. Also recognized were schools meeting all API targets and had exceeded 800: Hanna Ranch, Kensington, Madera, Montalvin, Olinda, Middle College High School.

**Public Comment:**

None

**Board Comment:**

Board members congratulated each school as well as remarked on the hard work, dedication, and the difference being made for students.

**E. COMMITTEE COMMUNICATIONS**

(Education Code 35145.5; Government Code 54950 et seq.)

**E.1 Standing Reports**

**Ivy League Connection.** Mr. Don Gosney provided a report on the eighth year of the program and the 38 students who participated in the summer program. Mr. Ramsey thanked Mr. Gosney for the time he put in. He reported that the following Universities plan to host information nights in the District; University of Pennsylvania, Brown University, Yale University and Northwestern University. The program may possibly expand to include the University of Chicago and Northwestern in upcoming years. Ms. Kronenberg recapped her summer travels with program.

**Academic Subcommittee.** Ms. Rashidchi reported the next meeting will be held September 17, 6:30 PM at Helms Middle School. The agenda will include the single plan for learning achievement and summer learning.

Student Representative Ivette Alejandra left the meeting for the evening.

**Community Budget Advisory Committee.** Ms. Gamba reported that two parents and a business leader have joined the committee. The next meeting will be held September 19, 2013 at the Alvarado Adult Education campus. The agenda will be posted on the website. Ms. Gamba expected a robust discussion about the state budget as well as presentation of the unaudited actuals budget report.

**Safety Committee.** Ms. Merriweather reported on the recent meeting where topics included updating board policy regarding security cameras and discussion around suspensions goals. Schools shared strategies for improvement. The committee, in collaboration with Building Blocks for Kids, will host a back to school chat regarding empowering parents and informing educators on Friday, September 13, 2013. The next Safety Committee meeting is scheduled for October 3, 2013, 9:00 AM at El Cerrito High School.

**Facilities Subcommittee.** Mr. Ramsey reported that the committee heard that the El Cerrito stadium bid will be coming up this month. The committee approved the master plan for the Olinda elementary construction. Discussion included Montalvin, Nystrom, Portola and the Leadership/Gompers projects. The next meeting is scheduled for October 8, 2013.

**Technology Committee.** Ms. Phillips reported on Monday's meeting where the committee established goals to insure that the network infrastructure will support current technology and future growth, insure all teaching staff have the necessary tools to teach common core standards, and provide professional development and technical support to assure success. The next meeting will be held October 13 and will be centered on professional develop.

**Youth Commission.** President Kronenberg reported that the Commission will meet September 16, 2013.

**E.2 Superintendent's Report**

Superintendent Harter provided a report of activities in the District.

**F. ACTION ITEMS**

**F.1 Approval of the 2012-2013 Unaudited Actuals Financial Report**

Ms. Gamba provided a report regarding the unrestricted general fund comparisons from June for final revenues and expenses. She provided data regarding the unrestricted general fund balance, restricted general fund balance as well as fourteen other funds within the District budget. She detailed the closing of books and the ability to update beginning fund balances for 2013-14.

**Public Comment:**

None

**Board Comment:**

Mr. Ramsey had a question regarding the ending fund balance for Schedule 6 Building Funds. Ms. Gamba responded with information regarding cash and fund balances.

**MOTION: Mr. Ramsey moved approval of the 2012-2013 Unaudited Actuals Financial Report. Mr. Enos seconded. Mr. Enos, Mr. Groves, Ms. Merriweather, Mr. Ramsey, and President Kronenberg voted yes, with no abstentions and no absences. Motion carried 5-0-0-0.**

**G. DISCUSSION ITEMS**

**G.1 Project Status Report**

Mr. Abdalla provided an update of construction projects in the District.

**Public Comment:**

None

**Board Comment:**

Mr. Ramsey expressed concerned about the Downer and Pinole Middle fields projects. Mr. Abdalla responded. Mr. Ramsey also questioned the Coronado bidding process. Mr. Fay explained that the several bidders had questions regarding the drawings and that staff wanted to respond before going under contract to avoid change orders after construction begins. President Kronenberg asked whether there was an unusual set of questions that would inform the comprehensive check list. Mr. Fay responded that this is an opportunity to improve the program by adding a new level of detail in response to unanticipated questions.

Ms. Merriweather asked about the Gompers Leadership project schedule. Mr. Abdalla reported that construction is ahead of schedule.

Mr. Ramsey remarked about dedicating some of the buildings to people who have been an important part of the District.

**G.2 Bond Finance – Bond Sale Planning and Review of Outstanding Bonds and Refunding Analysis**

Dave Olson of KNN Public Finance provided a report on the anticipated sale of series 2013 bonds in October. He provided details of the financing of the plan, the increase in interest rates, and the program as a whole. There was consensus that the biggest threat to the bond program is the decline in assessed property values. Mr. Olson explained that long term assessed valuation growth is an important factor in setting up the bond construction program and moving forward.

**Public Comment:**

None

**Board Comment:**

President Kronenberg had questions regarding the recent Richmond City Council's decision regarding eminent domain action. Mr. Jeff Barratta of Piper Jaffrey & Company Investment Bankers responded. He said that he felt the District has a very good story to share with potential investors as well as those that the District has been working with over the past few years. He explained that the District has a different set of circumstances than the City. President Kronenberg stressed taking the lead with investors when discussing unanticipated events similar to the impact on the community of the Chevron fire. Mr. Barratta and Mr. Scott Henry of E. J. De La Rosa & Company Investment Bankers responded that their job is to relate the District's story to potential investors disclosing all issues that may have an impact.

Discussion continued regarding marketing effectively to the community.

Ms. Merriweather questioned 40 year financing. Mr. Olson said that while that has been demonstrated as an alternative with legal flexibility, the 30 year bonds, as sold in past, is the recommendation for this sale.

Mr. Groves asked questions regarding tax rate targets. Mr. Olson responded.

**H. UNFINISHED REQUESTS TO ADDRESS THE BOARD (continued from Item E)**

None

**I. COMMENTS OF THE BOARD OF EDUCATION AND SUPERINTENDENT**

Mr. Ramsey said that he felt the school year was off to a good start and wished everyone great school year.

Mr. Groves said the busy summer will pay off this year and hopes to see real academic growth for students.

Ms. Merriweather agreed that staff worked hard over the summer in support of the District. She said she attended Back to School Night at several schools.

President Kronenberg announced a celebration planned for September 22nd at El Cerrito's dance studio to honor retired teacher Jacqueline Burgess and her 40 years of teaching.

**J. THE NEXT SCHEDULED BOARD OF EDUCATION MEETING**

Lovonya DeJean Middle School – September 25, 2013

**K. ADJOURNMENT**

President Kronenberg adjourned the meeting at 9:52 P.M.

*Motion vote count order: Yes-No-Abstain-Absent*

BH:dh

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
1108 Bissell Avenue  
Richmond, California 94801-3135  
Office of Superintendent of Schools

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

---

**To:** Board of Education

**Meeting Date:** September 25, 2013

**From:** Sheri Gamba *SG*  
Associate Superintendent Business Services

**Agenda Item:** CI C.1

**Subject:** Acceptance of Donations

**Background Information:** The District has received donations as summarized on the attached sheet dated September 25, 2013. The estimated values for any non-cash donations (as indicated by an asterisk) are those provided by the donor. Staff recommends acceptance of these donations.

**Recommendation:** Recommend Approval

**Fiscal Impact:** As noted per donations summary.

DISPOSITION BY BOARD OF EDUCATION

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

West Contra Costa Unified School District  
 September 25, 2013 Board Meeting

<u>Donor Name</u>	<u>Description or Purpose</u>	<u>Estimated Value</u>	<u>Receiving School or Department</u>
Mr. Mateo Sanchez	Materials & Supplies	\$57.69	Cameron School
Wells Fargo Community Support Campaign	Materials & Supplies	\$40.00	Madera Elementary
Wells Fargo Community Support Campaign	Materials & Supplies	\$450.00	Madera Elementary
Valley View Parents' Club	Music Program	\$11,500.00	Valley View Elementary
Truist	Sports Program	\$210.00	Hercules Middle High
PG&E Corporation Foundation	Materials & Supplies	\$150.00	Hercules Middle High
PG&E Corporation Foundation	Materials & Supplies	\$499.00	Hercules Middle High
Target Take Charge of Education	Materials & Supplies	\$382.45	Portola Middle
Mr. Robert Thompson	Materials & Supplies	\$300.00	State Pre-School

\*Estimated values for the non-cash donations are provided by the donor  
 Donation Précis 92513



WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
1108 Bissell Avenue  
Richmond, California 94801-3135  
Office of Superintendent of Schools

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

---

**To:** Board of Education

**Meeting Date:** September 25, 2013

**From:** Sheri Gamba *SG*  
Associate Superintendent Business Services

**Agenda Item:** CI C.2

**Subject:** Approval of Fund-Raising Activities

**Background Information:** The planned fund-raising events for the 2013-14 school year is summarized on the attached sheet dated September 25, 2013.

**Recommendation:** Recommend Approval

**Fiscal Impact:** Additional revenue for schools

<b>DISPOSITION BY BOARD OF EDUCATION</b>		
Motion by: _____	Seconded by: _____	
Approved _____	Not Approved _____	Tabled _____

West Contra Costa Unified School District  
 September 25, 2013 Board Meeting

APPROVAL OF FUND-RAISERS

<b>School</b>	<b>Fund-Raising Activity</b>	<b>Activity Sponsor</b>
Hanna Ranch Elementary	Sale of Catalogs	Hanna Ranch PTA
Hanna Ranch Elementary	Family Movie Night	Hanna Ranch PTA
Hanna Ranch Elementary	Halloween Party	Hanna Ranch PTA
Hanna Ranch Elementary	Sale of Jamba Juice or Ice Cream	Hanna Ranch PTA
Hanna Ranch Elementary	Family Dinner Night	Hanna Ranch PTA
Hanna Ranch Elementary	Scholastic Book Fair	Hanna Ranch PTA
Hanna Ranch Elementary	Family Fun Carnival	Hanna Ranch PTA
Hanna Ranch Elementary	PTA Membership Drive	Hanna Ranch PTA
Hanna Ranch Elementary	Collect Money From Families and Community to Promote Physical Fitness	Hanna Ranch Elementary
Middle College High	Sale of World's Finest Chocolate Bars	MCHS Leadership
Middle College High	Penny Wars	MCHS Leadership
Middle College High	Holiday Grams	MCHS Leadership
Middle College High	Car Wash in Hercules	MCHS Leadership
Middle College High	Sale of Prom Tickets	MCHS Leadership
Middle College High	Sale of Food During Progress Report Night	MCHS Leadership
Middle College High	Restaurant Night	MCHS Leadership
Mira Vista Elementary	PTA Membership Drive	Mira Vista School PTA
Mira Vista Elementary	Sale of World's Finest Chocolate Bars	Mira Vista School PTA
Mira Vista Elementary	Family Night at Tebble's Ice Cream	Mira Vista School PTA
Mira Vista Elementary	Family Dinner at Rubio's Restaurant	Mira Vista School PTA
Mira Vista Elementary	Sale of Jamba Juice	Mira Vista School PTA
Valley View Elementary	Parents' Club to Raise Money through Music and San Francisco Opera. Event Includes Games, Prizes, Auction, Food, Face Painting, and more.	Valley View Parents' Club

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
1108 Bissell Avenue  
Richmond, California 94801-3135  
Office of Superintendent of Schools

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

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**To:** Board of Education

**Meeting Date:** September 25, 2013

**From:** Sheri Gamba *SG*  
Associate Superintendent Business Services

**Agenda Item:** CI C.3

**Subject:** Notice of Completion: Bid 1441205-11 Nystrom Elementary School Abatement & Selective Demolition.

**Background Information:**

Substantial completion notice has been received for: Bid 1441205-11.

Major construction projects are subject to acceptance by the governing board before a Notice of Completion can be processed, and final payment of the contract made. (BP 7470)

Staff recommends acceptance of the work completed by the following contractor:

Performance Abatement, Bid 1441205-11 Nystrom Elementary School Abatement & Selective Demolition.

**Recommendation:** Recommend approval of these notices of completion.

**Fiscal Impact:** None.

<b>DISPOSITION BY BOARD OF EDUCATION</b>		
Motion by: _____	Seconded by: _____	
Approved _____	Not Approved _____	Tabled _____

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO  
NAME WEST CONTRA COSTA  
UNIFIED SCHOOL DISTRICT  
STREET  
ADDRESS 1108 BISSELL AVENUE  
CITY &  
STATE RICHMOND, CALIF 94801

SPACE ABOVE THIS LINE FOR RECORDER'S USE

## NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, must be filed within 10 days after completion. The completion of work is deemed to be the date of such acceptance by the Governing Board of the District (civil code 3086)

Notice is hereby given that:

1. The undersigned is owner of the property hereinafter described:
2. The full name of the owner is: Governing Board, West Contra Costa Unified School District.
3. The full address of the owner is: 1108 Bissell Avenue, Richmond, Calif. 94801.
4. A work of improvement on the property hereinafter described was completed and accepted on September 25, 2013.
5. The work done was: Project 1441205-11 Nystrom ES Abatement & Selective Demolition.
6. The name and address of the contractor for such work of improvement was Performance Abatement, 999 Canal Blvd., Ste. B, Richmond, CA 94804 Date of Contract: April 10, 2013.
7. The name of the Bonding Company that provided Surety for said contractor relative to work to be performed is: Travelers Casualty and Surety Company of America.
8. The property on which said work of improvement was completed is located within the West Contra Costa Unified School District, County of Contra Costa, State of California, and is described and located as follows: Nystrom ES, 230 Harbour Way South, Richmond, CA 94804.

Dated: September 25, 2013

\_\_\_\_\_  
Director, General Services  
West Contra Costa USD

### VERIFICATION

I, the undersigned, say: I am the Director, General Services the declarant of the foregoing notice of completion; I have read said notice of completion and know the contents thereof; the same is true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on September 25, 2013, at Richmond, California.

\_\_\_\_\_  
Director, General Services  
West Contra Costa USD


West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

---

**To:** Board of Education

**Meeting Date:** September 25, 2013

**From:** Kenneth L. Whittemore,   
Assistant Superintendent Human Resources

**Agenda Item:** CI C.4

**Subject:** Routine Personnel Changes – Classified

**Background Information:**

Routine personnel changes include actions to hire, promote, or terminate classified employees in accord with appropriate laws, established policies and procedures.

**Recommendation:** Approve Classified Personnel Changes

**Fiscal Impact:** None

**DISPOSITION BY BOARD OF EDUCATION**

Motion by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_

Not Approved \_\_\_\_\_

Tabled \_\_\_\_\_

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT**

September 25, 2013

**FOR INFORMATION ONLY**

**Classified Personnel Changes**

<b>NEW HIRES</b>			
BENDIXEN, SUSAN	SPECIAL EDUCATION	OCCUPATIONAL THERAPIST	8/16/2013
GILLISPIE, SUSAN	SPECIAL EDUCATION	OCCUPATIONAL THERAPIST	8/16/2013
WHYTE, LAUREL	SPECIAL EDUCATION	OCCUPATIONAL THERAPIST	8/16/2013
WILLIAMS, JULIA	HUMAN RESOURCES	DIRECTOR OF EMPLOYEE RELATIONS	8/14/2013

<b>REHIRES</b>			
HOLLINS, SAMMY	HIGHLAND	CUSTODIAN	8/5/2013
JOHNSON, LACOYA	PORTOLA	INSTRUCTIONAL ASST. SP. ED.	8/27/2013

<b>PROMOTION</b>			
AMIRR, UMBREEN	STEWART	INSTRUCTIONAL ASST. SPECIAL ED.	8/19/2013
BELTRAN, BILLY	FISCAL SERVICES	ACCOUNTANT II	8/26/2013
COWLES, COLLEEN	SHANNON	TYPIST CLERK 1	8/16/2013
DEMBY, DENISE	DE JEAN	CAMPUS SECURITY OFFICER 1	8/16/2013
FELKINS, STEPHANIE	TARA HILLS	SPECIAL EDUCATION ASSISTANT	8/19/2013
GRUEN, LISA	HUMAN RESOURCES	HUMAN RESOURCES TECH	8/26/2013
HUDSON, MINNIE	JUAN CRESPI	FOOD SERVICES WORKER 1	8/27/2013
RIOS, CHRISTINA	NORTH CAMPUS	OFFICE MANAGER MIDDLE/JR. HIGH	8/12/2013
SAECHAO, EMILY	OLINDA	TYPIST CLERK 1	8/16/2013
URENA, ROSA	TARA HILLS	SPECIAL EDUCATION ASSISTANT	8/19/2013
VEGA, JOY	TARA HILLS	TYPIST CLERK 1	8/16/2013
VOLEK, KELLIE	EL CERRITO HIGH	SECONDARY SCHOOL CASHIER	8/12/2013
WATERS, TYESHA	ELLERHORST	CLASSROOM SUPPORT AIDE	8/20/2013

<b>LAY OFF RECALLS</b>			
GEORGE-TOWNS, JOHNNIE	EL CERRITO HIGH	TYPIST CLERK II	8/14/2013

<b>RETURN FROM LEAVE</b>			
RICHARDSON, JONTINEKA	HERCULES HIGH	CLASSROOM SUPPORT AIDE	8/19/2013
SCOTT, JOYCE	WASHINGTON	FOOD SERVICE AIDE/CLERK	8/19/2013

<b>RESIGNATION</b>			
ASHBAUGH, SUSAN	WILSON	FOOD SERVICE AIDE	8/24/2013
CHIN, JODIE	MADERA	GRADUATE TUTOR	6/30/2013 *
DUNCAN, SHARRELL	EL CERRITO HIGH	CLASSROOM SUPPORT AIDE	6/30/2013 *
ELLIS, JILL	DE ANZA HIGH	TYPIST CLERK II	8/30/2013
FORMICA, JULIE	HANNA RANCH	GRADUATE TUTOR	6/30/2013 *
JACKSON, DAISY	FAIRMONT	INSTRUCTIONAL ASSISTANT	6/30/2013 *
MARTINEZ, ANDREA	DE JEAN MIDDLE	CLASSROOM SUPPORT AIDE	6/30/2013 *
PEREZ, NANCY	PAYROLL	PAYROLL CLERK	8/28/2013
SAECHAO, LISA	DE JEAN MIDDLE	INFORMATION & LITERACY ASST.	8/9/2013


<b>RETIREMENT</b>			
HALL, ROBERT	VISTA HIGH	CUSTODIAN	8/31/2013

West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

**To:** Board of Education

**Meeting Date:** September 25, 2013

**From:** Kenneth L. Whittemore,   
Assistant Superintendent Human Resources

**Agenda Item:** CI C.5

**Subject:** Certificated Board Authorization - Education Code 44258.3

**Background Information:**

Ed Code 44258.3 allows the Governing Board of a school district to authorize the holder of a multiple subject, standard elementary, single subject or standard secondary, credential with his or her consent, to teach departmental classes in grades K-12 provided the teacher has adequate knowledge of subject matter.

**Recommendation:** Recommend Approval

**Fiscal Impact:** None

**DISPOSITION BY BOARD OF EDUCATION**

Motion by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_

Not Approved \_\_\_\_\_

Tabled \_\_\_\_\_

**September 25, 2013**

**Waivers**

<b>Teacher</b>	<b>Site</b>	<b>Assignment</b>
Lourdes Sampayo	Hercules High School	Intro to Hospitality
Krystle Simon	Kennedy High School	Computers
Douglas Frew	Pinole Valley High School	Computers

Definition: Variable term waivers provide applicants with additional time to complete the requirements for the credential that authorizes the service or provide employing agencies with time to fill the assignment with an individual who either holds an appropriate credential or qualifies under one of the assignment options. (Assignment pending fingerprint clearance when applicable)

**Consent**

<b>Teacher</b>	<b>Site</b>	<b>Assignment</b>
John Hillyer	De Anza High School	Leadership
William Kiser	De Anza High School	Math CAHSEE Prep
Mirel Rivera	De Anza High School	Avid
Lawrence Smith	De Anza High School	English CAHSEE Prep
Fema Bernido	De Anza High School	Avid
Mallory Byrne	El Cerrito High School	Leadership
Jacqueline Huerta	Helms Middle School	Gateway to Tech. Science
Jacqueline Ryan	Helms Middle School	Health Science
Richard Volberg	Helms Middle School	Gateway to Tech. Science
Allan Anderson	Helms Middle school	Computers
Greg Ochs	Hercules High School	Leadership
Monika Mendes	Hercules High School	Leadership
Leslie Williamson	Pinole Valley High School	English
Donald Wilson	Pinole Valley High School	Work Experience
Alison Wood	Pinole Valley High School	Leadership
Michele Lamons-Rainford	Pinole Valley High School	American Sign Language
Caroline King	Pinole Valley High School	English
Marilyn Ahuna	Richmond High School	Principals of Engineering
Robert Gade	Richmond High School	Urban Agriculture
Aurelio Garcia	Richmond High School	Intro to Engineering/Civil
Stanley Nakahara	Richmond High School	Engineering & Architecture
Mark Rousseau	Richmond High School	Sports Medicine
Allen Mooney	Richmond High School	Multimedia/Adv. Film Studies
Kelli Schultz	Richmond High School	Career Guidance
		Leadership



West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

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**To:** Board of Education **Meeting Date:** September 25, 2013  
**From:** Kenneth L. Whittemore, *KW* **Agenda Item:** CI C.6  
Assistant Superintendent Human Resources  
**Subject:** Acceptance of Contracts for Placement of Student Teachers

**Background Information:**

Teachers in this district provide supervision and evaluation for student teachers seeking credentials to teach in California public school classrooms. These arrangements are made between the institution of higher education and the individual classroom teacher.

Staff requests approval from the Board of Education to accept Contracts for Placement of Student Teachers as detailed on the attached sheet dated September 25, 2013.

**Recommendation:** Recommend Approval

**Fiscal Impact:** None

DISPOSITION BY BOARD OF EDUCATION

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_  
Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

West Contra Costa Unified School District  
September 25, 2013

ACCEPTANCE OF CONTRACTS FOR PLACEMENT OF STUDENT TEACHERS

The following institution of higher education has submitted an agreement with West Contra Costa Unified School District. This institution intends to place student teachers in the West Contra Costa Unified School District schools.

Mills College – Student Teaching Agreement  
Loyola Marymount University – Memorandum of Understanding

West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

**To:** Board of Education **Meeting Date:** September 25, 2013  
**From:** Kenneth L. Whittemore, *KW* **Agenda Item:** CI C.7  
Assistant Superintendent Human Resources  
**Subject:** Certificated Provisional Internship Permit (PIP) Request(s)

**Background Information:** The Provisional Internship Permit (PIP) was created in response to the phasing out of emergency permits and became effective on July 1, 2005. It allows an employing agency to hire an individual who has not yet met the subject matter competence requirement needed to enter an internship program. Prior to requesting a PIP, the employing agency must verify that a diligent search has been made, and a fully credentialed teacher cannot be found. The PIP is issued for one (1) year and is renewable one time only provided the teacher has taken all appropriate subject matter examinations, but has not yet passed those tests.

**Recommendation:** Recommend Approval

**Fiscal Impact:** None

**DISPOSITION BY BOARD OF EDUCATION**

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_  
Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

September 25, 2013

**PIP**

<b>Teacher</b>	<b>Site</b>	<b>Assignment</b>
Heather Craig	Cameron	SH Preschool
Kathryn Cruz	Hercules Middle/High	ICHAT

Definition: The Provisional Internship Permit (PIP) was created in response to the phasing out of Emergency permits and became effective on July 1, 2005. It allows an employing agency to hire an individual who has not yet met the subject matter competence requirement needed to enter an internship program. Prior to requesting a PIP, the employing agency must verify that a diligent search has been made, and a fully-credentialed teacher cannot be found.

West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

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**To:** Board of Education **Meeting Date:** September 25, 2013  
**From:** Kenneth L. Whittemore, **Agenda Item:** CI C.8  
Assistant Superintendent Human Resources  
**Subject:** Presentation of the Initial Bargaining Proposal from West Contra Costa Unified School District  
to the United Teachers of Richmond (UTR)

**Background Information:**

Pursuant to the Educational Employment Relations Act, the initial proposal for negotiations by school districts and labor unions must be submitted at a public meeting of the governing board. The initial proposal of the West Contra Costa Unified School District to the United Teachers of Richmond is presented tonight as an information item. At the next regularly scheduled board meeting this item will come back for public hearing and adoption by the Board of Education.

**Recommendation:** The Board of Education accept the initial bargaining proposal to the United Teachers of Richmond (UTR) as an information item.

**Fiscal Impact:** To be determined

DISPOSITION BY BOARD OF EDUCATION

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

**THE WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT'S  
REOPENERS PROPOSAL TO THE UNITED TEACHERS OF RICHMOND (UTR)  
FOR THE 2013-2014 CONTRACT NEGOTIATIONS**

The following articles are the initial bargaining reopeners between the West Contra Costa Unified School District and United Teachers of Richmond (UTR) are:

- Article 2: Definition
- Article 11: Adjunct Duties
- Article 12: Class Size
- Article 15: Evaluations
- Article 19: Safety
- Article 22: School Calendar
- Article 23: Salary
- Article 24: Extra Duty Pay
- Article 25: Employee Benefits
- Article 28: Part-Time Teaching
- Article 36: Summer School

**ITEM REQUIRING ATTENTION---BOARD OF EDUCATION**

**To:** Board of Education

**Meeting Date:** September 25, 2013

**From:** Kenneth L. Whittemore *KLW*  
Assistant Superintendent Human Resources

**Agenda Item:** CI C.9

**Subject:** Initial Bargaining Proposal from United Teachers of Richmond (UTR) to the West Contra Costa Unified School District

**Background Information:**

Pursuant to the Educational Employment Relations Act, the initial proposal for negotiations by school districts and labor unions must be submitted at a public meeting of the governing board. The initial proposal of United Teachers of Richmond (UTR) to the West Contra Costa Unified School District is presented tonight as an information item. At the next regularly scheduled board meeting this item will come back for public hearing and adoption by the Board of Education.

**Recommendation:** That the Board of Education adopt the initial bargaining proposal for labor negotiations with the United Teachers of Richmond.

**Fiscal Impact:** To be determined

**DISPOSITION BY BOARD OF EDUCATION**

Motion by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_

Not Approved \_\_\_\_\_

Tabled \_\_\_\_\_

UNITED TEACHERS OF RICHMOND  
REOPENERS PROPOSALS FOR THE 2013-2014 SCHOOL YEAR  
TO  
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
AUGUST 21, 2013

As per our 2012-13 Agreement, UTR is submitting the agreed upon reopeners for bargaining in the 2013-2014 school year. As you will note, the reopeners are presented conceptually to enable both parties to engage in conversation that will be to the interest of both parties.

Article 2: Definitions –

UTR believes that a glossary of terms in the collective bargaining agreement will provide clarity and consistency to words used as to the intent and application of certain words.

Article 11: Adjunct Duties –

UTR has received numerous calls and input from unit members on the number of added work duties and the workload impact, at school sites, programs and departments. There is a concern that job description duties are impacted and not enough time is provided to perform the work required.

Article 12: Class Size –

Both UTR and WCCUSD goals are to reduce class size, as per June 26, 2013 WCCUSD Board minutes, and ‘combination classes as much as possible’. Additionally, review and bargain other sections in Article 12: workload/caseload as it pertains to special programs/department teachers and Alternative Education.

Article 15: Evaluations-

UTR and WCCUSD will create an Evaluation Committee consisting of unit members from elementary, middle school, high school and special programs, departments and district representatives to review the Common Core Standards and CA Standards for the Teaching Profession. The committee will be charged with making recommendations to both parties for purposes of bargaining any changes to the collective bargaining agreement.

UTR and WCCUSD will enter into a Memorandum of Understanding related to compensation of unit members serving on CCSS Working Group and school site team leadership who will develop the plan for the implementation of the Common Core standards.

Article 19: Safety-

UTR purposes to review language and clarify sections of this article that pertains to teacher’s rights and remedies that may come out of a hostile and harassing environment.

Article 22: School Calendar 2013-14

UTR and WCCUSD will review the 2013-14 School Year Calendar for purposes of additional time needed for Common Core professional development.



Article 23: Salary

UTR purposes to negotiate a fair and reasonable percentage increase in compensation to the salary schedules for all unit members, with the additional revenues available from the Local Control Funding Formula (LCFF), parcel taxes and district ongoing revenues.

Article 24: Extra Duty Pay

UTR purposes to review Appendix D: Teacher Extra-Duty Pay Schedule to include the increase of the hourly rate to \$30.00 (Thirty Dollars). Additionally, include the rate of pay to teachers substituting in classroom and taking students when no substitute is available. Also, review extra compensation, e.g. stipends, hourly, etc., for duties beyond the work day and description duties.

Article 25: Employee Benefits

UTR purposes to increase the district contribution to health benefits to active unit members and future retirees.

Article 28: Part-Time Teaching

UTR purposes to review Article 28 for updates and improvements.

Article 36: Summer School

UTR purposes that all summer school provisions are written in Article 36 and specifically the hiring process for summer school based on seniority.

## MEMORANDUMS OF UNDERSTANDING

1. Common Core Standards MOU
2. High Schools Variances to Bell Schedules
3. Kindergarten teachers preparation time, Appendix K, Side Letter
4. De Anza High School "Turnaround Model"- class size
5. Counselors – work year

Additionally, UTR requests to mutually agree to open Special Education for purposes of creating its own Article. And, revisit the family and medical leave act section for purposes of discussing the accommodation of a lactation room for teachers returning to work after maternity leave.

**ITEM REQUIRING ATTENTION---BOARD OF EDUCATION**

**To:** Board of Education **Meeting Date:** September 25, 2013  
**From:** Kenneth L. Whittemore *(Signature)* **Agenda Item:** CI C.10  
Assistant Superintendent Human Resources  
**Subject:** Joint Initial Bargaining Proposal – with West Contra Costa Unified School District and West Contra Costa Administrators Association (WCCAA)

**Background Information:**

Pursuant to the Educational Employment Relations Act, the initial proposal for negotiations by school districts and labor unions must be submitted at a public meeting of the governing board. The joint initial proposal of West Contra Costa Administrators Associate (WCCAA) and West Contra Costa Unified School District is presented tonight as an information item. At the next regularly scheduled board meeting this item will come back for public hearing and adoption by the Board of Education.

**Recommendation:** That the Board of Education adopt the joint initial bargaining proposal for labor negotiations with the West Contra Costa Administrators Association.

**Fiscal Impact:** To be determined

**DISPOSITION BY BOARD OF EDUCATION**

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_  
Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

**THE WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT'S  
JOINT INITIAL PROPOSAL WITH THE WEST CONTRA COSTA ADMINISTRATORS  
ASSOCIATION FOR 2013-2014 CONTRACT NEGOTIATIONS**

The following articles are the joint initial bargaining reopeners between the West Contra Costa Unified School District and West Contra Costa Administrators Association are:

Article 3- Salary

Article 12- Benefits

West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

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**To:** Board of Education **Meeting Date:** September 25, 2013  
**From:** Bill Fay **Agenda Item:** CI C.11  
Associate Superintendent for Operations  
**Subject:** Ratification and Approval of Engineering Services Contracts

**Background Information:**

Contracts have been initiated by staff using previously qualified consulting, engineering, architectural, or landscape architectural firms to assist in completion of the referenced projects. Many of the firms are already under contract and the staff-initiated work may be an extension of the firm's existing contract with the District. Public contracting laws have been followed in initially qualifying and selecting these professionals.

**Recommendation:** Ratify and approve contracts.

**Fiscal Impact:** Total for this action: \$2,124,312. Funding sources Measure J Bond, Measure D-2010 Bond, and Measure E-2012 Bond.

DISPOSITION BY BOARD OF EDUCATION

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_  
Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
FACILITIES PLANNING AND CONSTRUCTION**

**ENGINEERING & ARCHITECTURAL SERVICES CONTRACTS**

<b>Project/Funding</b>	<b>Dates</b>	<b>Firm</b>	<b>Contract Cost</b>	<b>Reference</b>
Riverside Elementary School Modernization and New Construction Project  Measure E-2012 Bond (PID:15010037-00)	September 2013 through October 2013	Whitlock & Weinberger Transportation, Inc.	\$6,985	Traffic Engineering Analysis professional services.
Nystrom Elementary School Abatement and Selective Demolition Project  Measure J Bond (PID:1441205-11)	October 2012 through May 2013	RGA Environmental, Inc.	\$12,200	Additional Environmental Engineering Services.
Dover Elementary School Multi-Purpose Room Demolition Project  Measure J Bond (PID:1151201-04)	April 2013 through June 2013	RGA Environmental, Inc.	\$16,697	Environmental Engineering Services.
Helms Middle School Sports Field & Landscaping Project  Measure D-2010 Bond (PID:2101101-16)	November 2012 through April 2013	RGA Environmental, Inc.	\$3,775	Environmental Engineering Services.
Helms Middle School Sports Field & Landscaping Project  Measure D-2010 Bond (PID:2101101-16)	March 2013 through June 2013	RGA Environmental, Inc.	Not to Exceed \$10,000	Additional Environmental Engineering Services.
Collins Elementary School Floor, Door & Hardware Project  Measure D-2010 Bond (PID:1101612-03)	May 2013 through July 2013	RGA Environmental, Inc.	\$10,195	Environmental Engineering Services.
Collins Elementary School Restroom Renovation Project  Measure D-2010 Bond (PID:1101612-06)	April 2013 through June 2013	RGA Environmental, Inc.	\$5,283	Additional Environmental Engineering Services.

**September 25, 2013**

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
FACILITIES PLANNING AND CONSTRUCTION**

**ENGINEERING & ARCHITECTURAL SERVICES CONTRACTS**

Bayview Elementary School Restrooms Renovation Project  Measure J Bond (PID:1041223-16)	June 2013 through July 2013	RGA Environmental, Inc.	\$1,510	Environmental Engineering Services.
El Cerrito High School Stadium Project  Measure D-2010 Bond (PID:3541348-00)	June 2013 through August 2013	RGA Environmental, Inc.	\$12,178	Environmental Engineering Services.
Vista Hills School Restrooms Renovation Project  Measure J Bond (PID:1631223-09)	June 2013 through August 2013	RGA Environmental, Inc.	\$985	Environmental Engineering Services.
Portola Middle School Campus Replacement Project  Measure J Bond (PID:2141103-06)	August 2013 through October 2013	GHD	\$8,846	Additional Abatement Compliance Monitoring Services.
Pinole Valley High School Detention Basin Project  Measure D-2010 Bond (PID:3621377-01)	September 2013 through October 2013	Kleinfelder	\$38,400	Geotechnical Construction Observation and testing services.
Portola Middle School Campus Replacement Project  Measure J Bond (PID:2141103-06)	September 2013	HY Architects, Inc.	\$4,000	Additional design services to incorporate new District standard.
Ohlone Elementary School Replacement Campus Project  Measure J Bond (PID:1461206-04)	September 2013 through June 2014	Powell & Partner Architects	\$75,240	Additional Construction Administration Services.
Downer Elementary School Playfield Project  Measure J Bond (PID: 1161224-01)	September 2013 through October 2013	Conestoga-Rovers & Associates	\$21,690	Additional environmental engineering services.

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**September 25, 2013**

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
FACILITIES PLANNING AND CONSTRUCTION**

**ENGINEERING & ARCHITECTURAL SERVICES CONTRACTS**

Dover Elementary School Site Improvements Project  Measure J Bond (PID: 1151201-05)	September 2013 through October 2013	HY Architects, Inc.	\$54,444	Additional design services.
Hercules Middle High School Science and Culinary Arts Building Project  Measure ? Bond (PID: 3761356-00)	September 2013 through January 2014	HY Architects, Inc.	\$324,720	Schematic design services.
Gompers / LPS Replacement Campus Project  Measure D-2010 Bond (PID:3581366-05)	July 1, 2013 through June 30, 2014	SGI Construction Management, Inc.	\$617,688	Construction Management Services.
Coronado Elementary School Replacement Campus Project  Measure D-2010 Bond (PID: 1121341-00)	September 1, 2013 through August 30, 2014	SGI Construction Management, Inc.	\$604,051	Construction Management Services.
Helms Middle School Sports Field and Landscaping Project  Measure D-2010 Bond (PID:2101101-16)	December 31, 2012 through January 31, 2014	SGI Construction Management, Inc.	\$76,480	Construction Management Services.
Bond Program Standards Update Project  Measure J Bond	September 1, 2013 through November 30, 2013	WLC Architects, Inc.	\$170,805	Additional Design Standards Development.
Lincoln Elementary School OPSC Hardship Application  Measure D-2010 (PID:13510060-00)	September 1, 2013 through February 15, 2014	HY Architects, Inc.	Not to Exceed \$22,000	OPSC Hardship Application

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
FACILITIES PLANNING AND CONSTRUCTION**

**ENGINEERING & ARCHITECTURAL SERVICES CONTRACTS**

WCCUSD Facilities Operation Center Permanent Relocation Project  Measure E-2012 (PID:66910054-00)	September 1, 2013 through October 31, 2013	Sensible Environmental Solutions, Inc.	\$7,640	Hazardous Materials Inspection and Reporting Services.
WCCUSD Facilities Operation Center Permanent Relocation Project  Measure E-2012 (PID:66910054-00)	September 1, 2013 through October 31, 2013	Luk & Associates	\$18,500	Site Survey Services.



West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801-3135  
Office of Superintendent of Schools

**ITEM REQUIRING ATTENTION --- BOARD OF EDUCATION**

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**To:** Board of Education **Meeting Date:** September 25, 2013  
**From:** Bill Fay **Agenda Item:** CI C.12  
Associate Superintendent for Operations  
**Subject:** Ratification and Approval of Negotiated Change Orders

**Background information:**

Staff is seeking ratification of Change Orders on the following current District construction projects: New Gomer & LPS Schools; Ohlone ES Phase 1 New Classrooms; Peres ES Modernization; Lake ES Fire/Intrusion System; Grant ES Fire/Intrusion System; Tara Hills ES Restroom Repairs; Lincoln Hills ES Restroom Repairs; Ellerhorst ES Restroom Repairs. Change Orders are fully executed by the District upon signature by the Superintendent's designee. Board ratification is the final step required under state law in order to complete payment and contract adjustment.

In addition to normal ratification, approval of the noted Change Orders for the Peres ES Modernization and Grant ES Fire/Intrusion System projects is required by the Board, with special findings as noted below, because this project is in excess of the Public Contract Code limit of 10% of the original contract value. In accordance with Public Contract Code 20118.4, the Board, by ratifying these Change Orders, finds that it would have been futile to publicly bid the work in question because of the tight time frames to complete this work without affecting the operations of the District, and that the public is best served by having this work completed by the contractor on the project.

**Recommendation:** Ratify negotiated Change Orders as noted.

**Fiscal Impact:** Total ratification and approval by this action: **\$69,628.92**

DISPOSITION BY BOARD OF EDUCATION

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_  
Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

**September 25, 2013 Change Order Ratification Summary**

	Project	Company	Original Contract	Previously Approved CO's	Items Pending Board Action		Total CO's	CO Percent of Original Contract	Adjusted New Contract	Change Order Numbers
					CO's Pending Ratification	CO's Pending Approval				
1	New Gompers & LPS Schools	Lathrop Construction Assoc.	\$53,887,350.00	\$39,998.00	\$25,675.00	\$0.00	\$65,673.00	0.12%	\$53,953,023.00	14 - 15
2	Ohlone ES Phase 1 - New Classrooms	Zovich Construction	\$16,961,000.00	\$1,196,939.51	\$44,187.00	\$0.00	\$1,241,126.51	7.32%	\$18,202,126.51	69 - 70
3	Peres ES Modernization	Cal-Pacific Construction	\$1,493,000.00	\$142,665.61	\$6,634.39	\$3,098.64	\$152,398.64	10.21%	\$1,645,398.64	9 - 11
4	Lake ES Fire/Intrusion System	BBJ Electric	\$266,994.00	\$0.00	\$2,734.35	\$0.00	\$2,734.35	1.02%	\$269,728.35	1 - 3
5	Grant ES Fire/Intrusion System	BBJ Electric	\$300,095.00	\$57,509.88	\$0.00	\$210.12	\$57,720.00	19.23%	\$357,815.00	3
6	Tara Hills ES Restroom Repairs	B Side Inc.	\$230,000.00	-\$19,984.14	-\$717.58	\$0.00	-\$20,701.72	-9.00%	\$209,298.28	4
7	Lincoln Hills ES Restroom Repairs	B Side Inc.	\$245,000.00	\$1,424.22	-\$4,313.00	\$0.00	-\$2,888.78	-1.18%	\$242,111.22	4 (revised)
8	Ellerhorst ES Restroom Repairs	B Side Inc.	\$175,000.00	-\$9,138.46	-\$7,880.00	\$0.00	-\$17,018.46	-9.72%	\$157,981.54	4 (revised)

Pending Board Actions	Ratifications	\$66,320.16
	Approvals	\$3,308.76
	<b>Total Board Action</b>	<b>\$69,628.92</b>

Note: the proposed Board Action is to Ratify all Change Orders below ten percent (10%) of the Contract Value; the change order amounts pending Board Approval is the portion of the Change Order(s) above 10%.

West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

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**To:** Board of Education **Meeting Date:** September 25, 2013  
**From:** Bill Fay **Agenda Item:** CI C.13  
Associate Superintendent for Operations  
**Subject:** Collins Elementary School Restrooms Renovation Project Rejection of Bids and Authorization for Staff to Rebid the Project

**Background Information:**

This project will provide removal of epoxy coating, wall board and associated hazardous materials abatement; installation of water resistant sheet rock, installation of tile finishes, installation of wall finish; refinishing or replacement of epoxy floors, and painting throughout; reinstallation or replacement of various bathroom accessories and plumbing fixtures.

AE3 Partners completed plans and specifications for the project. The District conducted a public bid of the project. Bids were opened on May 2, 2013. Seven Contractors submitted bids. They were as follows: AM Woo Construction, \$169,000; A & E Emaar Company, \$186,000; Cal-Pacific Construction, \$193,000; Affordable Painting Services, \$197,000; Hung Construction, \$209,000; U.S. Matrix Construction, \$338,000; and HM Construction, \$450,000.

After opening the bids, the District received information that the project schedule would exceed the available window to complete the project. Considering this information, it is appropriate that the District redesign the project and rebid. Therefore it is recommended that the Board take action at this time to reject all bids and authorize staff to rebid the project after making changes to the design.

**Recommendation:** Reject all bids and authorize staff to rebid project with changes as noted above.

**Fiscal Impact:** Not known at this time. Funded from the Measure D-2010 Bond.

DISPOSITION BY BOARD OF EDUCATION

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

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**To:** Board of Education **Meeting Date:** September 25, 2013  
**From:** Bill Fay **Agenda Item:** CI C.14  
Associate Superintendent for Operations  
**Subject:** Hercules Middle High School Health Center Project Rejection of Bids and Authorization for Staff to Rebid Project

**Background Information:** This project will provide construction of new walls in existing classroom portable for four offices, a conference room and waiting area; relocation of existing light fixtures for new rooms and installation of one new light fixture; removal and replacement of existing A.C. unit with multi-zone HVAC unit with exterior concrete pad mounted condenser; installation of new fire alarm system, intrusion alarm, data and electrical runs and connections; demolition and replacement of existing A.C. ramp landing.

HY Architects completed plans and specifications for the project. The District conducted a public bid of the project. Bids were opened on August 1, 2013. Four Contractors submitted bids. They were as follows: ERA Construction, \$130,000; Hung Construction, \$168,000; Integra Construction Services, Inc., \$194,500; and HM Construction, \$249,980.

After opening the bids, the District received information that there were some unresolved issues raised by the Division of State Architect (DSA) during the review of the project. Considering this information, it is appropriate that the District redesign the project and rebid. Therefore it is recommended that the Board take action at this time to reject all bids and authorize staff to rebid the project after making changes to the design.

**Recommendation:** Reject all bids and authorize staff to rebid project with changes as noted above.

**Fiscal Impact:** Not known at this time. Funded from the Measure J Bond.

DISPOSITION BY BOARD OF EDUCATION

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

**To:** Board of Education **Meeting Date:** September 25, 2013  
**From:** Bill Fay **Agenda Item:** CI C.15  
Associate Superintendent for Operations  
**Subject:** Pinole Valley High School Portable Lease

**Background Information:**

As a part of the new Pinole Valley High School construction project, the District will lease ninety DSA Approved Reconditioned Portable Classroom buildings for the temporary campus. Each portable has power connections, lagging and intercom and data systems. Additionally, each has fire alarm system components (smoke, detector, pull station, horn, strobe, etc.) and intrusion alarm components connected to the site's systems.

The District issued an RFP and received two proposals: McGrath RentCorp dba Mobile Modular Management Corporation \$4,946,113.27; Williams Scotsman \$7,390,157.

**Recommendation:**

Award contract to Mobile Modular.

**Fiscal Impact:** Total for this action: **\$4,946,114**. Funding source Measure D-2010 Bond.

DISPOSITION BY BOARD OF EDUCATION

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_  
Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
1108 Bissell Avenue  
Richmond, California 94801-3135  
Office of Superintendent of Schools

ITEM REQUIRING ATTENTION --- BOARD OF EDUCATION

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**To:** Board of Education **Meeting Date:** September 25, 2013  
**From:** Bill Fay **Agenda Item:** CI C.16  
Associate Superintendent for Operations  
**Subject:** Umbrella Joint Use Agreements for Recreational Facilities and Grounds for the  
City of El Cerrito

**Background information:**

Currently the District has several agreements with the City of El Cerrito ("City") for use of the District's recreational facilities and the District's use of the City's recreational facilities. The agreements generally only cover certain facilities and have differing terms and conditions governing the use of those facilities. In some instances, no agreement currently exists and use is based on an ad hoc or pre-existing arrangement. This has made scheduling and access to recreational facilities difficult and cumbersome. In order to develop a consistent, singular process, the District has negotiated the attached form of joint use agreement with the City for the purposes of inter-agency coordination to meet the continuous youth and community demands for more developmental and recreational opportunities. The District's goal was to negotiate one form of agreement that would increase access to the recreational facilities and grounds for District students and the community while also providing consistent policies, procedures and scheduling for use of the District's recreational facilities and also the District's use of the City's recreational facilities.

The Joint Use Agreement contemplates a five (5) year term that can be renewed upon mutual agreement of the parties. The Agreement also contemplates that the parties develop a Master Schedule to jointly coordinate each party's use schedule. Once the Master Schedule has been mutually agreed upon by the parties, each party's scheduled use of the recreational facilities shall receive priority over all other use, except as may be otherwise required by law or mutual written agreement of the parties. The Agreement contemplates that the parties shall each pay the other only for the direct costs associated with a party's use of the other's facilities.

**Recommendation:**

Recommend approval of the Umbrella Joint Use Agreements for the City of El Cerrito

**Fiscal Impact:** No fiscal impact or implications associated with the approval of these documents.

DISPOSITION BY BOARD OF EDUCATION

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

**UMBRELLA JOINT USE AGREEMENT  
BETWEEN  
WEST CONTRA COSTA UNIFIED DISTRICT  
AND  
THE CITY OF EL CERRITO**

**(Community Recreation)**

THIS JOINT USE AGREEMENT ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2013 ("Effective Date"), by and between WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT, a California public school district ("District") and the CITY OF EL CERRITO, a municipal corporation of the State of California ("City"). The District and City may be referred to herein collectively as the "Parties" or individually as a "Party".

**RECITALS**

- A. WHEREAS, District is the owner of certain real property as set forth in Exhibit "A," located within the District ("School Sites"); and
- B. WHEREAS, the City is the owner of certain real property as set forth in Exhibit "B" located within the City of El Cerrito ("City Sites"); and
- C. WHEREAS, the provisions of Education Code sections 10900 through 10914.5, inclusive, (the "Community Recreation Act") authorize and empowers cities and public school districts to cooperate with one another for the purpose of authorizing, promoting and conducting programs of public services which will contribute to the attainment of general recreational and educational objectives for children and adults of the state, and to enter into agreements with each other for such purposes; and
- D. WHEREAS, the District and City's joint use of the recreational and educational facilities located on the School Sites and City Sites will provide a benefit to the students who attend the schools and to City's residents,

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this agreement, the Parties agree as follows:

**AGREEMENT**

1. **TERM OF AGREEMENT.** The "Term" of this Agreement shall be for five (5) years commencing on Effective Date, and shall remain in effect until September 30, 2018, unless terminated earlier pursuant to the termination provisions set forth in this Agreement.
  - 1.1. Option to Extend. Upon the District's determination of noninterference required by Education Code by the District for an section 17529, the term of the Agreement may be extended an additional five (5) years.

2. **JOINT USE OF RECREATIONAL SITES.**

2.1. **District Recreational Facilities:**

2.1.1. **District Use.** The District's use of the buildings, grounds, equipment or recreational facilities ("District Recreational Facilities") located on the School Sites for any purpose shall take precedence and priority over the City's or any other person's or entity's use. "District's Use" includes use of the District Recreational Facilities, without limitation:

2.1.1.1. Use during any hours when school is in session, including Summer School;

2.1.1.2. Use during any time that has been scheduled in advance by the various school principals or other school officers for classes, activities, exercises, or functions; and

2.1.1.3. Use during any time when the District has permitted another person or entity to use the District Recreational Facilities for specific event(s) or activity(ies).

2.1.2. **City's Use.** The City may use the District Recreational Facilities when such use does not conflict with the District's Use. City's right of use shall be non-exclusive.

2.1.2.1. City's use of the District Recreational Facilities shall be pursuant to the District's existing rules and regulations pertaining to the use of the District Recreational Facilities ("District Use Rules"). A copy of the District Use Rules is attached hereto as Exhibit "C".

2.1.2.2. **El Cerrito High School.** City shall coordinate use of the El Cerrito High School (ECHS) tennis courts and play fields during non-District Use time periods with the District's Facilities Office and the ECHS principal. The City may charge fees for this use according to City's Master Fee Schedule. The Parties further intend that City shall maintain the ECHS tennis courts. City shall provide scheduled maintenance and repairs, including cleaning surfaces, net repair and replacement, and repair of damage or vandalism to the level of maintenance provided at similar City tennis facilities. At a minimum this shall include, but not be limited to repair and/or replacement of tennis nets annually and repair, replacement or resurfacing of play courts as needed.

2.1.3. **City's Use Fee.** City shall pay a "Use Fee" related to the direct costs to District for City's use of District Recreational Facilities. The direct costs shall include, but not be limited to, costs for District staff required to be present at the District Recreational Facilities during City's use.



**2.1.4. Accident/Incident Report.** The City shall submit a written accident/incident reports to the District within twenty-four (24) hours of any accident or incident that occurs on the District Recreational Facilities during City's use. Accident/injury reports shall be submitted to the District's principal at the School Site the Recreational Facilities are located on and to the District Office of Risk Management.

**2.1.5. Closure of District Recreational Facilities.** The Parties recognize that the District Recreational Facilities may need to be closed from time to time in the interest of public safety or for repairs and maintenance. District shall notify the City of any conditions necessitating a closure of the District Recreational Facilities or any portion thereof.

## **2.2. City Recreational Facilities:**

**2.2.1. City Use.** The City's use of the buildings, grounds, equipment or recreational facilities ("City Recreational Facilities") located on the City Sites for any purpose shall take precedence and priority over the District's or any other person's or entity's use. "City's Use" includes use of the City Recreational Facilities, without limitation:

2.2.1.1. Use during any time when the City has permitted another person or entity to use the City Recreational Facilities for specific event(s) or activity(ies); and

2.2.1.2. Use during any time that has been scheduled in advance by City Staff for classes, activities, exercises, or functions.

**2.2.2. District's Use.** The District may use the City Recreational Facilities when such use does not conflict with the City's Use. District's right of use shall be non-exclusive.

2.2.2.1. District's use of the City Recreational Facilities shall be pursuant to the City's existing rules and regulations pertaining to the use of the City Recreational Facilities ("City Use Rules"). A copy of the City Use Rules is attached hereto as Exhibit "D".

**2.2.3. Use Fee.** District shall pay a "Use Fee" related to the direct costs to City for District's use of City Recreational Facilities. The direct costs shall include, but not be limited to, costs for City staff required to be present at the City Recreational Facilities during District's use.

**2.2.4. Accident/Incident Report.** The District shall submit a written accident/incident reports to the City within twenty-four (24) hours of any

accident or incident that occurs on the City Recreational Facilities during District's use. Accident/injury reports shall be submitted to the City Manager pursuant to the Notice provision set forth in this Agreement.

**2.2.5. Closure of City Recreational Facilities.** The Parties recognize that the City Recreational Facilities may need to be closed from time to time in the interest of public safety or for repairs and maintenance. City shall notify the District of any conditions necessitating a closure of the City Recreational Facilities or any portion thereof.

**2.3. Schedule of Use.** District Recreational Facilities and City Recreational Facilities shall be scheduled on a "first come, first served" basis. City shall be responsible for scheduling all City-users requesting to use District Recreational Facilities. Once the Parties agree to a "Master Joint Use Schedule", each Party's scheduled use of the Recreational Facilities shall receive priority over all other use, except as may be otherwise required by law or mutual written agreement of the Parties. The Master Joint Use Schedule shall schedule each Party's use of the other Party's Recreational Facilities for a period of time not to exceed six (6) months.

**2.3.1.** In the event a Party requires the use of the other Party's Recreational Facilities at a time that has not been mutually agreed to by the Parties, and that does not appear on the Master Joint Use Schedule, that Party shall comply with the other Party's Application for Use of Facilities and all applicable requirements thereto.

**3. MAINTENANCE.**

**3.1. City Maintenance.** City agrees to provide, as its own cost and expense, any and all maintenance for the City Recreational Facilities. Maintenance to be provided by City shall be staffed by City's equipment and ball fields personnel, be consistent with the normal maintenance levels as applied to other comparable City open space and park areas and shall insure safe and healthful use. Maintenance to be provided by City shall also include payment by City, as its own cost and expense, any and all utility costs, including without limitation, electricity, water, and refuse removal costs.

**3.2. District Maintenance.** District agrees to provide, as its own cost and expense, any and all maintenance for the District Recreational Facilities. Maintenance to be provided by District shall be consistent with the normal maintenance levels as applied to other comparable District schools and shall insure safe and healthful use. Maintenance to be provided by District shall also include payment by District, as its own cost and expense, any and all utility costs, including without limitation, electricity, water, and refuse removal costs.

**4. REPAIRS.** The Parties agree that each Party shall be responsible for any damage, injuries, or harm caused by use of the other Party's Recreational Facilities. The Party

using the other Party's Recreational Facilities shall repair, or cause to be repaired, or will reimburse the Party that owns the Recreational Facilities for the cost of repairing damage done to the Recreational Facilities of the other Party, other than ordinary wear and tear items.

4.1. Any dispute regarding the responsibility for damages shall be resolved pursuant to the dispute resolution procedures indicated herein.

5. **INDEMNIFICATION.**

5.1. **Indemnification of District.** To the furthest extent permitted by California law, City shall protect, defend, indemnify and hold harmless District, and its officers, agents, representatives, consultants, employees, trustees and volunteers ("District's Indemnified Parties") from any and all demands, liabilities, losses, damages, injury, claims, suits, and actions ("Claims against the City") of any kind, nature or description, including, but not limited to, personal injury, death, property damage, and consultants' and/or attorneys' fees and costs, directly or indirectly arising out of, connecting with or resulting from its use of District's Recreational Facilities, except to the extent that damage is caused by the negligence or willful misconduct of the District's Indemnified Parties. The District shall have the right to accept or reject any legal representation that City proposes to defend the District's Indemnified Parties.

5.2. **Indemnification of City.** To the furthest extent permitted by California law, District shall protect, defend, indemnify and hold harmless City, and its officers, agents, representatives, consultants, employees, trustees and volunteers ("City's Indemnified Parties") from any and all demands, liabilities, losses, damages, injury, claims, suites and actions ("Claims against the District") of any kind, nature or description, including, but not limited to, personal injury, death, property damage, and consultants' and/or attorneys' fees and costs, directly or indirectly arising out of, connecting with or resulting from its use of City's Recreational Facilities, except to the extent that damage is caused by the negligence or willful misconduct of the City's Indemnified Parties. The City shall have the right to accept or reject any legal representation that District proposes to defend the City's Indemnified Parties.

6. **INSURANCE.** Each Party shall, during the Term, maintain in force the policies set forth in Exhibit "E". All policies, endorsements, certificates shall be subject to approval by the other Party's Risk Manager as to form and content. The insurance requirements are subject to amendment or waiver if so approved in writing by both Parties. Each Party agrees to provide the other Party with a copy of said policies, certificates and/or endorsements upon execution of this Agreement.

7. **TERMINATION.**

7.1. City or District may terminate this Agreement at any time by written notice of election to terminate delivered to the other Party at least sixty (60) days in advance of the effective termination date elected.

8. **NOTICES.** All notices required or permitted to be given under this agreement shall be in writing and personally delivered or sent by certified mail, postage prepaid and return receipt requested, addressed as follows:

**CITY**

City of El Cerrito  
Recreation Department  
7007 Moeser Lane  
El Cerrito, CA 94530  
Attn: Recreation Director

**DISTRICT**

West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, CA 94801  
Attn: Director of Facilities & Construction

Notice shall be deemed effective on the date personally delivered or, if mailed, three days after deposit in the mail. Notice transmitted by facsimile shall be deemed effective on the following business day. Notice provided by overnight delivery shall be deemed effective the next business day after delivery by the overnight delivery service. The Parties may change their respective addresses for purposes of delivering notices by sending notice of such change pursuant to this paragraph.

9. **ASSIGNMENT.** Neither Party shall assign its rights, duties or privileges under this Agreement, nor shall either Party attempt to confer any of its rights, duties or privileges under this Agreement on any third Party, without the written consent of the other Party.
10. **NON-DISCRIMINATION.** Neither Party shall employ any discriminatory practices in its performance hereunder, including its employment practices, on the basis of sex, race, color, religion, national origin, ancestry, age, sexual orientation, or physical or mental disability.
11. **INDEPENDENT CONTRACTOR STATUS.** This Agreement is by and between two independent entities and is not intended to and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture, or association.
12. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the Parties and supersedes all prior discussions, negotiations and agreements, whether oral or written. This Agreement may be amended or modified only by a written instrument executed by both Parties. The Parties may enter into other site-specific joint use agreement in the future. The more specific joint use agreement shall control over the terms of this Agreement.
13. **VERIFICATION OF QUALIFICATIONS.** Each Party shall be responsible for verifying the qualifications, credentials, certificates, and licenses of its staff, agents, consultants and/or subcontractors who may provide services in conjunction with each Party's duties or obligations pursuant to this Agreement or the use of the Recreational Facilities.

14. **FINGERPRINTING AND CRIMINAL BACKGROUND INVESTIGATIONS.** Each Party shall ensure compliance with the fingerprinting requirements of Education Code section 10911.5 for all employees, staff, and/or contractors who could have direct contact with minors, regardless of whether such individuals are paid or unpaid.
15. **DISPUTE RESOLUTION.** If a dispute arises that is related, in any way, to this, the Parties agree to attempt first to resolve the dispute through negotiations. If negotiations are unsuccessful, the Parties agree to mediate the dispute prior to initiating legal action.
16. **CALIFORNIA LAW.** This Agreement shall be governed by and the rights, duties and obligations of the Parties shall be determined and enforced in accordance with the laws of the State of California. The Parties further agree that any action or proceeding brought to enforce the terms and conditions of this Agreement shall be maintained in Contra Costa County, California.
17. **PROHIBITED ACTIVITIES.** Use of tobacco products, intoxicants, or narcotics is prohibited in or about the Party's Recreational Facilities. Profane language, quarreling, fighting, and/or gambling is also prohibited.
18. **WAIVER.** The waiver by either Party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, condition, or any subsequent breach of the same or any other term, covenant, or condition herein contained.
19. **SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, legal representatives, successors, and assigns.
20. **AMENDMENTS.** Amendments to the terms and conditions of this Agreement shall be requested in writing by the Party desiring the revision, and any amendment to the Agreement shall only be effective upon the mutual agreement in writing of both Parties hereto.
21. **COUNTERPARTS.** This Agreement and all amendments and supplements to it may be executed in counterparts, and all counterparts together shall be construed as one document.
22. **CAPTIONS.** The captions contained in this Agreement are for convenience only and shall not in any way affect the meaning or interpretation hereof nor serve as evidence of the interpretation hereof, or of the intentions of the Parties hereto.
23. **SEVERABILITY.** Should any provision of this Agreement be determined to be invalid, illegal or unenforceable in any respect, such provision shall be severed and the remaining provisions shall continue as valid, legal and enforceable.
24. **INCORPORATION OF RECITALS AND EXHIBITS.** The Recitals and each exhibit attached hereto are hereby incorporated herein by reference.

25. **APPROVAL.** The Parties agree that this Agreement shall not be binding on the Parties until the Agreement is approved by the District's Board of Education and the City Council.

IN WITNESS WHEREOF, this Agreement has been duly approved by Parties on the day and year hereinabove written.

APPROVED AS TO FORM:

**CITY OF EL CERRITO**  
A municipal corporation

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

**WEST CONTRA COSTA UNIFIED SCHOOL  
DISTRICT**  
A California public school district

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name  
Superintendent

**EXHIBIT "A"**

**DISTRICT RECREATIONAL FACILITIES**

SCHOOL SITE	FACILITIES
Castro/ New Portola Middle School Site	7125 Donal Avenue
El Cerrito High School	540 Ashbury Avenue
Fairmont School	724 Kearney Street
Harding School	7230 Fairmont Avenue
Madera School	8500 Madera Drive
Portola Middle School	1021 Navellier Street

**EXHIBIT "B"**

**CITY RECREATIONAL FACILITIES**

CITY SITE	FACILITIES
Arlington Park and Clubhouse	1120 Arlington Boulevard
Canyon Trail Park & Art Center	6757 Gatto
Castro Park & Clubhouse	1420 Norvell Street
Central Park	5701 Central Avenue
Cerrito Vista Park	950 Pomona Avenue
El Cerrito Community Center	7007 Moeser Lane
El Cerrito Senior Center	6500 Stockton Avenue
El Cerrito Swim Center	7007 Moeser Lane
Fairmont Park & Clubhouse	715 Lexington Avenue
Madera Courthouse	1500 Devonshire
Tassajara Park & Pottery Studio	2575 Tassajara Avenue



**EXHIBIT "C"**

**DISTRICT USE RULES**

**EXHIBIT "D"**  
**CITY USE RULES**

## **EXHIBIT "E"**

### **INSURANCE**

Each Party, at its sole cost and expense, shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from, or in connection with, the performance of the services or use of the Recreational Facilities hereunder by the Parties, their agents, representatives, employees or subcontractors.

#### **A. Minimum Scope of Insurance**

Coverage shall be at least as broad as:

1. The coverage described in Insurance Services Office Form Number GL 0002 (Ed. 01/96) covering Commercial General Liability together with Insurance Services Office Form Number GL 0404 covering Broad Form Comprehensive General Liability; or that described in Insurance Services Office Commercial General Liability coverage ("occurrence") Form Number CG 0001 (Ed. 01/96), including X.C.U. (Explosion, Collapse and Underground) coverage.

2. The coverage described in Insurance Services Office Form Number CA 0001 (Ed. 12/93) covering Automobile Liability, Code 1 "any auto", or Code 2 "owned autos" and Endorsement CA 0025. Coverage shall also include Code 8 "hired autos" and Code 9 "non-owned autos"; and

3. Workers' Compensation insurance as required by the California Labor Code and Employers Liability insurance; and

#### **B. Minimum Limits of Insurance**

Each Party shall maintain limits no less than:

1. Commercial General Liability: \$3,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage; and

3. Workers' Compensation and Employers' Liability: Workers' Compensation limits as required by the California Labor and Employers Liability limits of \$1,000,000 per accident.

4. Builder's Risk: Completed value of the project. No deductible shall exceed \$100,000.

#### **C. Deductibles and Self-Insured Retentions**

Any Party's deductibles or self-insured retentions must be declared, and approved by the other Party's Risk Manager.

**D. Other Insurance Provisions**

Each policy shall contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverages

a. The other Party, its officers, employees, agents and contractors are to be covered as additional insureds. Coverage shall contain no special limitations on the scope of protection afforded to the other Party, its officers, employees, agents and contractors.

b. Any failure to comply with reporting provisions of the policies by either Party shall not affect coverage provided to the other Party, its officers, employees, agents, or contractors.

c. Each policy shall state that the policy shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2. All Coverage

Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced in limits except after thirty (30) days' prior written notice has been given to the other Party.

**E. Acceptability of Insurers**

Insurance is to be placed with insurers acceptable to the other Party.

**F. Verification of Coverage**

Each Party shall furnish the other Party with certificates of insurance and with original endorsements affecting coverage required by this Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

Proof of insurance shall be mailed to the following address or any subsequent address as may be directed in by each PARTY:

CITY OF EL CERRITO  
Risk Manager

WEST CONTRA COSTA UNIFIED  
SCHOOL DISTRICT

**EXHIBIT "F"**  
**MASTER JOINT USE SCHEDULE**  
**(To be Prepared by Parties)**

West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

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**To:** Board of Education

**Meeting Date:** September 25, 2013

**From:** Bruce Harter  
Superintendent

**Agenda Item:** CI C.17

**Subject:** Interdistrict Attendance Agreement

**Background Information:**

The eighteen school districts in Contra Costa County will enter into an Interdistrict Attendance Agreement with the approval of the Governing Boards of each district for students seeking transfers to another district. This agreement will provide uniform guidelines across the county.

**Recommendation:**

Recommend Approval

**Fiscal Impact:**

None

**DISPOSITION BY BOARD OF EDUCATION**

Motion by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_

Not Approved \_\_\_\_\_

Tabled \_\_\_\_\_

## **INTERDISTRICT ATTENDANCE AGREEMENT**

This Interdistrict Attendance Agreement ("Agreement") is entered into by and between the Acalanes Union High School District of Contra Costa County, the Antioch Unified School District of Contra Costa County, the Brentwood Union School District of Contra Costa County, the Byron Union School District of Contra Costa County, the Canyon Elementary School District of Contra Costa County, the John Swett Unified School District of Contra Costa County, the Knightsen School District of Contra Costa County, the Lafayette School District of Contra Costa County, the Liberty Union High School District of Contra Costa County, the Martinez Unified School District of Contra Costa County, the Moraga School District of Contra Costa County, the Mt. Diablo Unified School District of Contra Costa County, the Oakley Union Elementary School District of Contra Costa County, the Orinda Union School District of Contra Costa County, the Pittsburg Unified School District of Contra Costa County, the San Ramon Valley Unified School District of Contra Costa County, the Walnut Creek School District of Contra Costa County, and the West Contra Costa Unified School District of Contra Costa County.

Pursuant to Education Code 46600, the Governing Boards of each school district agree as follows:

1. Applicability of this agreement is limited to grade levels mutually maintained by the contracting parties.
2. Each of the school districts may accept, insofar as facilities permit, students who are residents of the other who have proper permits for attendance from the district of residence, who are eligible to attend the classes of the schools operated by the district of attendance, and who are acceptable to the district of attendance. Consideration and approval of an application for an interdistrict transfer attendance permit shall be in compliance with the policies and regulations of the school district of attendance.
3. Upon approval by both school districts, a student shall be issued an interdistrict attendance permit, which shall be valid for one school year only. The parent/guardian of the student must reapply annually pursuant to the policies and procedures of the school district of attendance.
4. Each school district shall furnish these students the same advantages, supplies, and regular instructional services as are furnished to the other students attending these classes, with the exception of home to school transportation. Transportation will not be provided for students attending either school district pursuant to this Agreement.
5. Grounds for revocation of an interdistrict attendance permit are those outlined in the policies and regulations of the school district of attendance and include, but are not limited to, failure to demonstrate acceptable academic performance, attendance and/or behavior.

6. The attendance of students from the school districts covered by this Agreement shall be credited to the school district of attendance for apportionment purposes with the school district of attendance assuming all costs of education unless the districts agree otherwise.
7. No financial obligation shall be incurred by the district of residence for services rendered under this Agreement unless the districts agree otherwise.
8. The parties to this Agreement acknowledge that neither a district of residence or attendance may rescind an existing transfer permit for a student entering grades 11 or 12 in the subsequent school year.
9. This Agreement shall begin July 1, 2011 and end June 30, 2016 and supersedes all previous Interdistrict Attendance Agreements between the parties. Any party may terminate this Agreement effective at the beginning of a school year by giving written notice to the other parties at least three (3) months prior to the beginning of the school year.

**Acalanes Union High School District**

\_\_\_\_\_  
 Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
 Date

**Antioch Unified School District**

\_\_\_\_\_  
 Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
 Date

**Brentwood Union School District**

\_\_\_\_\_  
 Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
 Date

**Byron Union School District**

\_\_\_\_\_  
 Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
 Date



**Canyon Elementary School District**

\_\_\_\_\_  
Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
Date

**John Swett Unified School District**

\_\_\_\_\_  
Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
Date

**Knightsen School District**

\_\_\_\_\_  
Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
Date

**Lafayette School District**

\_\_\_\_\_  
Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
Date

**Liberty Union High School District**

\_\_\_\_\_  
Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
Date

**Martinez Unified School District**

\_\_\_\_\_  
Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
Date

**Moraga School District**

\_\_\_\_\_  
Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
Date

**Mt. Diablo Unified School District**

\_\_\_\_\_  
Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
Date

**Oakley Union Elementary School District**

\_\_\_\_\_  
Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
Date

**Pittsburg Unified School District**

\_\_\_\_\_  
Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
Date

**Walnut Creek School District**

\_\_\_\_\_  
Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
Date

**Orinda Union School District**

\_\_\_\_\_  
Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
Date

**San Ramon Valley Unified School District**

\_\_\_\_\_  
Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
Date

**West Contra Costa Unified School District**

\_\_\_\_\_  
Superintendent or Designee      Date

Approved by Governing Board on:

\_\_\_\_\_  
Date

West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION---BOARD OF EDUCATION**

**To:** Board of Education

**Meeting Date:** September 25, 2013

**From:** Nia Rashidchi  
Assistant Superintendent Education Services

**Agenda Item:** CI C.18

**Subject:** Resolution No. 31-1314: Hispanic Heritage Month, September 15, 2013 – October 15, 2013

**Background Information:**

The West Contra Costa Unified School District applauds the many contributions made by the Hispanic population and recognizes September 15 - October 15, 2013 as Hispanic Heritage Month.

**Recommendation:** Recommend Approval

**Fiscal Impact:** None

**DISPOSITION BY BOARD OF EDUCATION**

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

**West Contra Costa Unified School District  
Resolution No. 31-1314**

**In Recognition of Hispanic Heritage Month  
Celebrating History, Heritage, and the American Dream  
September 15 - October 15, 2013**

*WHEREAS*, the State of California is home for more than 3,239,296 Hispanic Students from kindergarten through grade twelve; and

*WHEREAS*, the West Contra Costa Unified School District has 14,884 Hispanic students from kindergarten through grade twelve; and

*WHEREAS*, the diversity of this group includes persons who have their origins in Mexico, Central and South America, Portugal, Spain and the Spanish speaking Caribbean Island (representative countries like Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Puerto Rico, Venezuela, Dominican Republic, Cuba, Columbia, Panama, and Ecuador); and

*WHEREAS*, since the inception of European contact with our continent, Hispanics have always been an integral part of this nation's early exploration and California's discovery and early settlement; and

*WHEREAS*, while the impact of the Hispanic Culture and traditions are manifested in our State's customs, traditions, and law; and

*WHEREAS*, Hispanic Americans continue to make important contributions to our society in American government, business, agriculture, commerce, Armed Forces, education, the arts, science and sports; and

*WHEREAS*, the History-Social Science Framework for California Public Schools states that the history curriculum of the community, state, region, nation and world must reflect the experiences of men and women of different racial, religious and ethnic groups; and

*WHEREAS*, the California State Board of Education recognized in its Multicultural Educational Policy that each student needs an opportunity to understand the common humanity underlying all people; and

*NOW THEREFORE BE IT RESOLVED* that the Board of Education and the West Contra Costa Unified School District proclaim the month of September 15 through October 15, 2013 as Hispanic Heritage Month and encourage all educational communities to commemorate this occasion with appropriate instructional activities; and be it further

*PASSED AND ADOPTED* by the Board of Education of the West Contra Costa Unified School District on this twenty-fifth day of September, 2013, by the following vote:

AYE's \_\_\_\_\_ NO's \_\_\_\_\_ ABSENT \_\_\_\_\_ ABSTAIN \_\_\_\_\_

*I HEREBY CERTIFY* that the foregoing resolution was duly and regularly introduced, passed, and adopted by the Board of Education of the West Contra Costa Unified School District, Contra Costa County, at a meeting of said Board on the 25<sup>th</sup> of September 2013.

\_\_\_\_\_  
President of the Board of Education

\_\_\_\_\_  
Secretary of the Board of Education

West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

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**To:** Board of Education **Meeting Date:** September 25, 2013  
**From:** Wendell Greer, Assistant Superintendent **Agenda Item:** D.1  
K-12 Operations  
**Subject:** Report on Community Engagement Efforts in WCCUSD

**Background Information:**

WCCUSD actively engages all members of its community to achieve student success. The Governing Board recognizes that parents/guardians are their children's first and most influential teachers and that sustained parent involvement allows the assets, innovation, creativity, expertise, and resources offered by our families to greatly improve the education of all students, close the achievement gap, improve access to information, increase parent/community volunteerism, and allow for seamless navigation through district systems, policies and practices.

Tonight, we will provide an update on our community engagement efforts and future plans.

**Recommendation:** For Information Only

**Fiscal Impact:** None

DISPOSITION BY BOARD OF EDUCATION

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_  
Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

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**To:** Board of Education **Meeting Date:** September 25, 2013  
**From:** Nia Rashidchi, **Agenda Item:** D.2  
Assistant Superintendent, Educational Services  
Wendell Greer, Associate Superintendent K-12 Operations  
**Subject:** 2013 Summer School, Programs, Data, and Learning

**Background Information:**

The West Contra Costa Unified School District provides a robust summer program to support student academic growth, prevent summer learning loss, help students gain credits and gain new learning, and thrive.

Staff will provide a report on our summer school and other summer enrichment programs.

**Recommendation:** For Information Only

**Fiscal Impact:** None

DISPOSITION BY BOARD OF EDUCATION

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION---BOARD OF EDUCATION**

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**To:** Board of Education

**Meeting Date:** September 25, 2013

**From:** Sheri Gamba *SG*  
Associate Superintendent Business Services

**Agenda Item:** F.1

**Subject:** Resolution No. 29-1314 and Resolution No. 30-1314 of the Board of Trustees of the West Contra Costa Unified School District Authorizing the Issuance of West Contra Costa Unified School District (Contra Costa County, California) Election of 2010 General Obligation Bonds, Series B and 2012 General Obligation Bonds, Series A, and actions related thereto

**Background Information:** An election was held in the West Contra Costa Unified School District on June 8, 2010 for the issuance and sale of general obligation bonds of the District for various purposes in the maximum amount of \$380,000,000 ("Measure D"). The District now desires to issue its third series of bonds under Measure D in an amount not-to-exceed \$40,000,000.

An election was held in the West Contra Costa Unified School District on November 6, 2012 for the issuance and sale of general obligation bonds of the District for various purposes in the maximum amount of \$360,000,000 ("Measure E"). The District now desires to issue its first series of bonds under Measure E in an amount not-to-exceed \$85,000,000.

- (a) Bond Resolutions authorize the issuance of general obligation bonds (the "Bonds") under Measure D and Measure E. The resolutions specifies the basic terms, parameters and forms of the Bonds, and approves the form of Purchase Contract and form of Preliminary Official Statement described below. In particular, Section 1 of both Resolutions establishes the maximum aggregate principal amount of the Bonds to be issued (\$125,000,000). Section 3 of both Resolutions authorizes the Bonds to be sold at a negotiated sale, and Section 4 of both Resolutions states the maximum underwriters' discount (0.6%) with respect to the Bonds.
- (b) Form of Purchase Contract. Pursuant to the Purchase Contract, Piper Jaffray & Co., as representative (the "Representative") of itself and E. J. De La Rosa & Co. (collectively, the "Underwriters") will agree to buy the Bonds from the District. All the conditions of closing the transaction are set forth in this document, including the documentation to be provided at the closing by various parties. Upon the pricing of the Bonds, the final execution copy of the Purchase Contract will be prepared following this form.

(c) Form of Preliminary Official Statement. The Preliminary Official Statement (“POS”) is the offering document describing the Bonds which may be distributed to prospective purchasers of the Bonds. The POS discloses information with respect to, among other things, (i) the proposed uses of proceeds of the Bonds, (ii) the terms of the Bonds (interest rate, redemption terms, etc.), (iii) the bond insurance policy for the Bonds, if any, (iv) the security for repayment of the Bonds (the tax levy), (v) information with respect to the District’s tax base (upon which *ad valorem* taxes may be levied), (vi) District financial and operating data, (vii) continuing disclosure with respect to the Bonds and the District, and (viii) absence of litigation and other miscellaneous matters expected to be of interest to prospective purchasers of the Bonds. Following the pricing of the Bonds, a final Official Statement for the Bonds will be prepared, substantially in the form of the POS.

The bonds are tentatively scheduled to price on October 10, 2013 and the funds will become available when the bonds are delivered, currently scheduled for October 29, 2013. The two resolutions request the Board of Education to take the necessary actions, and approve the form of the documents to be used in the marketing and issuing the Bonds.

**Recommendation:** The Board of Education approves Resolution No. 29-1314 and Resolution No. 30-1314 authorizing the issuance of \$125,000,000 of the District’s General Obligation bonds, and actions related thereto.

**Fiscal Impact:** \$125,000,000 in proceeds for the Bond fund.

DISPOSITION BY BOARD OF EDUCATION

Motion by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_

Not Approved \_\_\_\_\_

Tabled \_\_\_\_\_



\$ \_\_\_\_\_  
**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT**  
**(Contra Costa County, California)**  
**General Obligation Bonds, Election of 2010, Series B**

\$ \_\_\_\_\_  
**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT**  
**(Contra Costa County, California)**  
**General Obligation Bonds, Election of 2012, Series A**

**PURCHASE CONTRACT**

\_\_\_\_\_, 2013

West Contra Costa Unified School District  
Board of Education  
1108 Bissell Avenue  
Richmond, California 94801

Ladies and Gentlemen:

Piper Jaffray & Co. (the "Representative"), on behalf of itself and E. J. De La Rosa & Co. (collectively, the "Underwriters"), offers to enter into this Purchase Contract (the "Purchase Contract") with the West Contra Costa Unified School District (the "District"), which, upon your acceptance hereof, will be binding upon the District and the Underwriters. This offer is made subject to the written acceptance of this Purchase Contract by the District and delivery of such acceptance to us at or prior to 11:59 P.M., California Time, on the date hereof. Capitalized terms used and not otherwise defined herein shall have the meanings given to such terms in the Resolution (defined below).

Inasmuch as the sale contemplated hereby represents a negotiated transaction, the District acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the District and the Underwriters, (ii) in connection therewith and with the discussion, undertakings and procedures leading up to the consummation of such transaction, the Underwriters have acted and are acting solely as principals and not as agents or fiduciaries of or financial advisors to the District, (iii) the Underwriters have not assumed (individually or collectively) an advisory or fiduciary responsibility in favor of the District with respect to (a) the offering of the Bonds or the process leading thereto (whether or not the Underwriters have advised or are currently advising the District on other matters) or (b) any other obligation to the District except the obligations expressly set forth in this Purchase Contract and (iv) the District has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the offering of the Bonds. The District further acknowledges that it

has previously provided the Underwriters with an acknowledgement of receipt of the required disclosure under rule G-17 of the Municipal Securities Rulemaking Board (the "MSRB").

1. **Purchase and Sale of the Bonds.** Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriters hereby agree to purchase from the District for reoffering to the public, and the District hereby agrees to sell to the Underwriters for such purpose (a) all (but not less than all) of \$\_\_\_\_\_ in aggregate initial principal amount of the District's General Obligation Bonds, Election of 2010, Series B (the "2010 Series B Bonds") and (b) all (but not less than all) of \$\_\_\_\_\_ in aggregate initial principal amount of the District's General Obligation Bonds, Election of 2012, Series A (the "2012 Series A Bonds," and together with the 2010 Series B Bonds, the "Bonds"). The Bonds shall bear interest at the rates, shall mature in the years and shall be subject to redemption as shown on Appendix A hereto, which is incorporated herein by this reference.

2. **The Bonds.** The Bonds shall be dated as of the date of their initial issuance and delivery (the "Date of Delivery"). The Bonds shall mature on the dates shown on Appendix A hereto, shall otherwise be as described in the Official Statement (as defined herein), and shall be issued and secured pursuant to the provisions of the Resolution of the District adopted on September 25, 2013 (the "Resolution") and Section 53506 *et. seq.* of the California Government Code (the "Act").

The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Contract and the Resolution. The Bonds shall be in book-entry form, shall bear CUSIP numbers, shall be in fully registered form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York; the Bonds shall initially be in authorized denominations of \$5,000 principal amount, or any integral multiple thereof.

The Bonds shall bear interest from the Date of Delivery payable semiannually on each February 1 and August 1, commencing February 1, 2014, and shall be paid at maturity as shown in Appendix A hereto. The Underwriters shall purchase the 2010 Series B Bonds at a price of \$\_\_\_\_\_ (consisting of the initial principal amount of the 2010 Series B Bonds of \$\_\_\_\_\_, plus net original issue premium of \$\_\_\_\_\_, and less the Underwriters' discount of \$\_\_\_\_\_). The Underwriters shall purchase the 2012 Series A Bonds at a price of \$\_\_\_\_\_ (consisting of the initial principal amount of the 2012 Series A Bonds of \$\_\_\_\_\_, plus net original issue premium of \$\_\_\_\_\_, and less the Underwriters' discount of \$\_\_\_\_\_).

3. **Use of Documents.** The District hereby authorizes the Underwriters to use, in connection with the offer and sale of the Bonds, this Purchase Contract and an Official Statement (defined below), the Resolution and all information contained herein and therein and all of the documents, certificates or statements furnished by the District to the Underwriters in connection with the transactions contemplated by this Purchase Contract.

4. **Public Offering of the Bonds.** The Underwriters agree to make a bona fide public offering of all the Bonds at the initial public offering prices or yields to be set forth on the cover page of the Official Statement. Subsequent to such initial public offering, the Underwriters reserve the right to change such initial public offering prices or yields as it deems necessary in connection with the marketing of the Bonds. On or prior to the Closing, the Underwriters shall certify to the District

in writing, in form and substance satisfactory to the District and to Stradling Yocca Carlson & Rauth, a Professional Corporation, bond counsel with respect to the Bonds (“Bond Counsel”): (i) that as of the date of sale, all of the Bonds were reasonably expected to be reoffered in a bona fide public offering; (ii) that as of the date of the certification, all of the Bonds purchased had actually been offered to the general public; and (iii) the maximum initial bona fide offering prices at which a substantial amount (at least 10%) of each maturity of the Bonds purchased was sold or was reasonably expected to be sold to the general public.

5. **Review of Official Statement.** The Underwriters hereby represent that they have received and reviewed the Preliminary Official Statement with respect to the Bonds, dated October \_\_\_, 2013 (the “Preliminary Official Statement”). The District represents that it deems the Preliminary Official Statement to be final, except for either revision or addition of the offering price(s), interest rate(s), yield(s) to maturity, selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the “Rule”).

The Underwriters agree that prior to the time the final Official Statement relating to the Bonds is available, the Underwriters will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

The Underwriters agree to file the Official Statement with the MSRB through the MSRB’s Electronic Municipal Market Access system within one business day after receipt thereof from the District, but in no event later than the Closing (as defined below).

6. **Closing.** At 9:00 A.M., California Time, on October \_\_\_, 2013 or at such other time or on such other date as shall have been mutually agreed upon by the District and the Underwriters (the “Closing”), the District will deliver to the Underwriters, at the offices of The Depository Trust Company (“DTC”) in New York, New York, or at such other place as the District and the Underwriters may mutually agree upon, the Bonds in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and at the offices of Stradling Yocca Carlson & Rauth, a Professional Corporation (“Bond Counsel”), in San Francisco, California, the other documents hereinafter mentioned; and the Underwriters will accept such delivery and pay the purchase price thereof in immediately available funds by check, draft or wire transfer to the account of the District.

7. **Representations, Warranties and Agreements of the District.** The District hereby represents, warrants and agrees with the Underwriters that:

(a) **Due Organization.** The District is a unified school district duly organized and validly existing under the laws of the State of California, with the power to issue the Bonds pursuant to the Act.

(b) **Due Authorization.** (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the District has full legal right, power and authority to enter into this Purchase Contract

and the Continuing Disclosure Certificate, to adopt the Resolution, to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions contemplated by this Purchase Contract and the Resolution; (iii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Bonds, the Resolution, the Continuing Disclosure Certificate, and this Purchase Contract have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Purchase Contract and the Continuing Disclosure Certificate constitute valid and legally binding obligations of the District; and (v) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Contract.

(c) Consents. No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds, the execution and delivery of this Purchase Contract and the Continuing Disclosure Certificate, the adoption of the Resolution, or the consummation of the other transactions effected or contemplated herein or hereby, except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriters may reasonably request, or which have not been taken or obtained; provided, however, that the District shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

(d) Internal Revenue Code. The District has complied with the Internal Revenue Code of 1986, as amended, with respect to the Bonds.

(e) No Conflicts. To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of this Purchase Contract, the Continuing Disclosure Certificate, the Resolution and the Bonds, and the compliance with the provisions hereof do not conflict with or constitute on the part of the District a violation of or default under, the Constitution of the State of California or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject.

(f) Litigation. As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the District, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices or of the titles of the officials of the District to such offices; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, or the collection of *ad valorem* taxes contemplated by the Resolution and available to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Contract or the Resolution or contesting the powers of the District or its authority with respect to the Bonds, the Resolution or this Purchase Contract; or (iii) in which a final adverse decision could (a) materially adversely affect the operations of the District or the consummation of the transactions contemplated by this Purchase Contract or

the Resolution, (b) declare this Purchase Contract to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes and the exemption of such interest on the Bonds from California personal income taxation.

(g) No Other Debt. Between the date hereof and the Closing, without the prior written consent of the Underwriters, neither the District, nor any other person on behalf of the District, will have issued in the name and on behalf of the District any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement.

(h) Certificates. Any certificates signed by any officer of the District and delivered to the Underwriters shall be deemed a representation and warranty by the District to the Underwriters, but not by the person signing the same, as to the statements made therein.

(i) Continuing Disclosure. At or prior to the Closing, the District shall have duly authorized, executed and delivered a continuing disclosure certificate (the "Continuing Disclosure Certificate") on behalf of each obligated person for which financial and/or operating data is presented in the Official Statement. The Continuing Disclosure Certificate shall comply with the provisions of Rule 15c2-12(b)(5) and be substantially in the form attached to the Official Statement in Appendix C.

(j) Official Statement Accurate and Complete. The Preliminary Official Statement, at the date thereof, did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. As of the date thereof and on the Closing Date, the Final Official Statement will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The District makes no representation or warranty as to the information contained in or omitted from the Preliminary Official Statement or the Final Official Statement in reliance upon and in conformity with information furnished in writing to the District by or on behalf of the Underwriters through a representative of the Underwriters specifically for inclusion therein.

(k) Levy of Tax. The District hereby agrees to take any and all actions as may be required by the County of Contra Costa or otherwise necessary in order to arrange for the levy and collection of taxes, payment of the Bonds, and the deposit and investment of Bond proceeds. In particular, the District hereby agrees to provide to the County Auditor-Controller and the Treasurer-Tax Collector of the County a copy of the Resolution, a copy of Appendix A hereto, and the full debt service schedule for the Bonds, in accordance with Education Code Section 15140(c) and policies and procedures of the County.

**8. Representations, Warranties and Agreements of the Underwriters.** The Underwriters represent to and agree with the District that, as of the date hereof and as of the date of the Closing:

(a) The Underwriters are duly authorized to execute this Purchase Contract and to take any action under the Purchase Contract required to be taken by them.

(b) The Underwriters are in compliance with MSRB Rule G-37 with respect to the District, and are not prohibited thereby from acting as underwriter with respect to securities of the District.

(c) The Underwriters have, and have had, no financial advisory relationship, as that term is defined in California Government Code Section 53590(c) or MSRB Rule G-23, with the District with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriters has or has had any such financial advisory relationship.

(d) The Underwriters have reasonably determined that the District's undertaking to provide continuing disclosure with respect to the Bonds pursuant to Section 9(e)(9) hereof is sufficient to effect compliance with Rule 15c2-12.

9. **Conditions to Closing.** The Underwriters have entered into this Purchase Contract in reliance upon the representations and warranties the District contained herein and the performance by the District of its obligations hereunder, both as of the date hereof and as of the date of Closing. The Underwriters' obligations under this Purchase Contract are and shall be subject at the option of the Underwriters, to the following further conditions at the Closing:

(a) Representations True. The representations and warranties of the District contained herein shall be true, complete and correct in all material respects at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriters at the Closing pursuant hereto shall be true, complete and correct in all material respects on the date of the Closing; and the District shall be in compliance with each of the agreements made by it in this Purchase Contract;

(b) Obligations Performed. At the time of the Closing, (i) the Official Statement, this Purchase Contract and the Resolution shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by us; (ii) all actions under the Act which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) the District shall perform or have performed all of their obligations required under or specified in the Resolution, this Purchase Contract or the Official Statement to be performed at or prior to the Closing;

(c) Adverse Rulings. To the best knowledge of the District, no decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Contract (and not reversed on appeal or otherwise set aside), or pending or threatened which has any of the effects described in Section 7(f) hereof or contesting in any way the completeness or accuracy of the Official Statement;

(d) Marketability. Between the date hereof and the Closing, the market price or marketability of the Bonds, or the ability of the Underwriters to enforce contracts for the sale

of the Bonds, at the initial offering prices set forth in the Official Statement, shall not have been materially adversely affected in the reasonable judgment of the Underwriters (evidenced by a written notice to the District terminating the obligation of the Underwriters to accept delivery of and pay for the Bonds) by reason of any of the following:

(1) legislation enacted or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of federal income taxation of the interest received by the owners of the Bonds, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(i) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of federal income taxation of the interest received by the owners of the Bonds; or

(ii) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended;

(2) any outbreak or escalation or hostilities affecting the United States, the declaration by the United States of a national emergency or war, or engagement in major military hostilities by the United States or the occurrence of any other national emergency or calamity relating to the effective operation of the government or the financial community in the United States;

(3) the declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading by the New York Stock Exchange, any national securities exchange, or any governmental authority securities exchange;

(4) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or obligations of the general character of the Bonds, or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriters;

(5) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of

the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;

(6) the withdrawal or downgrading of any underlying credit rating of the District's outstanding indebtedness by a national rating agency; or

(7) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriters, makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(8) the suspension by the SEC of trading in the outstanding securities of the District.

(e) Delivery of Documents. At or prior to the date of the Closing, the Underwriters shall receive three copies of the following documents in each case dated as of the Closing Date and satisfactory in form and substance to the Underwriters:

(1) Bond Opinion. An approving opinion of Bond Counsel, as to the validity and tax-exempt status of the Bonds, dated the date of the Closing, addressed to the District;

(2) Reliance Letter. A reliance letter from Bond Counsel to the effect that the Underwriters can rely upon the approving opinion described in subsection (e)(1) above;

(3) Supplemental Opinion of Bond Counsel. A supplemental opinion of Bond Counsel in form and substance satisfactory to the Underwriters, dated the Closing Date and addressed to the District and the Underwriters, to the effect that:

(i) the description of the Bonds and the security for the Bonds and statements in the Official Statement on the cover page thereof and under the captions ["INTRODUCTION," "THE BONDS," "LEGAL MATTERS – Continuing Disclosure" and "TAX MATTERS,"] to the extent they purport to summarize certain provisions of the Bonds, the Resolution, the Continuing Disclosure Certificate, and Bond Counsel's opinion regarding the treatment of interest on the Bonds under California or federal law, fairly and accurately summarize the matters purported to be summarized therein; provided that Bond Counsel need not express any opinion with respect to any financial or statistical data, or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, or information relating to DTC or its book-entry only system included therein, or with respect to Appendices \_\_ or \_\_ to the Official Statement;

(ii) this Purchase Contract and the Continuing Disclosure Certificate have been duly authorized, executed and delivered by the District, and assuming due



authorization, execution and delivery by all the other parties thereto, constitute legal, valid and binding agreements of the District enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and except as such enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases if equitable remedies are sought and by the limitations on legal remedies against public agencies in the State of California; and

(iii) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolution is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended.

(4) Certificates. A certificate signed by appropriate officials of the District to the effect that (i) such officials are authorized to execute this Purchase Contract, (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of Closing, (iii) the District has complied with all the terms of the Resolution and this Purchase Contract to be complied with by the District prior to or concurrently with the Closing and, as to the District, such documents are in full force and effect, (iv) such District officials have reviewed the Official Statement and on such basis certify that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, (v) the Bonds being delivered on the date of the Closing to the Underwriters under this Purchase Contract substantially conform to the descriptions thereof contained in the Resolution, and (vi) no event concerning the District has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement thereto, but should be disclosed in order to make the statements in the Official Statement in light of the circumstances in which they were made not misleading;

(5) Arbitrage. A nonarbitrage certificate of the District with respect to the Bonds in form satisfactory to Bond Counsel;

(6) Ratings. Evidence satisfactory to the Underwriters (i) that the Bonds have received underlying ratings of “\_\_\_” from Moody’s Investors Service (“Moody’s”), “\_\_\_” from Standard & Poor’s Ratings Service, a Standard & Poor’s Financial Services LLC business (“S&P”), and “\_\_\_” from Fitch Ratings (“Fitch”) (or such other equivalent ratings as such rating agencies may give), and (ii) that any such ratings have not been revoked or downgraded;

(7) Bond Resolution. A certificate, together with fully executed copies of the Resolution, of the Secretary or Clerk of the District Board of Education to the effect that:

(i) such copies are true and correct copies of the Resolution; and

(ii) that the Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the date of the Closing.

(8) Official Statement. A certificate of the appropriate official of the District evidencing his or her determinations respecting the Preliminary Official Statement in accordance with the Rule;

(9) Continuing Disclosure Certificate. An executed copy of the Continuing Disclosure Certificate, substantially in the form presented in the Official Statement as [Appendix \_\_] thereto;

(10) Certificate of the Paying Agent. A certificate of the Paying Agent, signed by a duly authorized officer thereof, and in form and substance satisfactory to the Underwriters, substantially to the effect that, to the best of such officer's knowledge, no litigation is pending or threatened (either in state or federal courts) (i) seeking to restrain or enjoin the delivery by the Paying Agent of any of the Bonds, or (ii) in any way contesting or affecting any authority of the Paying Agent for the delivery of the Bonds or the validity or enforceability of the Bonds or any agreement with the Paying Agent;

(11) Disclosure Counsel Opinion. The opinion of Garcia, Hernández, Sawhney & Bermudez LLP, dated the Closing Date and addressed to the District, substantially to the effect that based on such counsel's participation in conferences with representatives of the Underwriters, the District and others, during which conferences the contents of the Official Statement and related matters were discussed, and in reliance thereon and on the records, documents, certificates and opinions described therein, such counsel advises the District, that during the course of its engagement as Disclosure Counsel no information came to the attention of such counsel's attorneys rendering legal services in connection with such representation which caused such counsel to believe that the Official Statement as of its date contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, or information relating to DTC or its book-entry only system included therein, or any information in [Appendices \_\_ or \_\_] to the Official Statement, as to which such counsel need express no opinion or view);

(12) Underwriters' Counsel Opinion. An opinion of Nossaman LLP, counsel to the Underwriters, in a form and substance satisfactory to the Underwriters.

(13) Other Documents. Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriters may reasonably request to evidence compliance (i) by the District with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the District herein contained and of the Official Statement, and (iii) the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

(f) Termination. Notwithstanding anything to the contrary herein contained, if for any reason whatsoever the Bonds shall not have been delivered by the District to the Underwriters as provided in Section 6 herein, then the obligation to purchase Bonds hereunder shall terminate and be of no further force or effect except with respect to the obligations of the District and the Underwriters under Section 13 hereof.

If the District is unable to satisfy the conditions to the Underwriters' obligations contained in this Purchase Contract or if the Underwriters' obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be cancelled by the Underwriters at, or at any time prior to, the time of Closing. Notice of such cancellation shall be given to the District in writing, or by telephone or telegraph, confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriters may be waived by the Underwriters in writing at their sole discretion.

10. **Conditions to Obligations of the District.** The performance by the District of their obligations is conditioned upon (i) the performance by the Underwriters of their obligations hereunder; and (ii) receipt by the District and the Underwriters of opinions and certificates being delivered at the Closing by persons and entities other than the District.

11. **Expenses.** The District shall pay, and the Underwriters shall be under no obligation to pay, the costs of issuance relating to the Bonds, including but not limited to the following: (i) the fees and disbursements of the District's Bond Counsel and Disclosure Counsel; (ii) the cost of the preparation, printing and delivery of the Bonds; (iii) the fees for Bond ratings; (iv) the cost of the printing and distribution of the Preliminary Official Statement and Official Statement; (v) the initial fees of the Paying Agent and Fiscal Agent; (vi) the fees of KNN Public Finance, the District's financial advisor; (vii) expenses for travel, lodging, and subsistence related to rating agency visits and other meetings connected to the authorization, sale, issuance and distribution of the Bonds; and (viii) all other fees and expenses incident to the issuance and sale of the Bonds. The District hereby directs the Underwriters to wire to The Bank of New York Mellon Trust Company, N.A., as Fiscal Agent of the District, both (a) a portion of the purchase price of the 2010 Series B Bonds identified in Section 2 hereof, in an amount equal to \$\_\_\_\_\_ and (b) a portion of the purchase price of the 2012 Series A Bonds identified in Section 2 hereof, in an amount equal to \$\_\_\_\_\_.

Notwithstanding the foregoing, the Underwriters shall pay all out-of-pocket expenses of the Underwriters, including the California Debt and Investment Advisory Commission fee, CUSIP fees, travel, and other expenses (except as provided above) without limitation.

Notwithstanding Section 9(f) hereof, the District hereby agrees, in the event the purchase and sale of the Bonds does not occur as contemplated hereunder, to reimburse the Underwriters for any costs described in Subsection 11(vii) above that are attributable to District personnel.

12. **Notices.** Any notice or other communication to be given under this Purchase Contract (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the District, to the Associate Superintendent, Business Services, West Contra Costa Unified School District, 1108 Bissell Avenue, Richmond, California 94801, or if to the Underwriters, c/o Piper Jaffray & Co., 345 California Street, Suite 2400, San Francisco, California 94104, attention: Jeff Baratta.

13. **Parties in Interest; Survival of Representations and Warranties.** This Purchase Contract when accepted by the District in writing as heretofore specified shall constitute the entire agreement among the District and the Underwriters. This Purchase Contract is made solely for the benefit of the District and the Underwriters (including the successors or assigns of the Underwriters). No person shall acquire or have any rights hereunder or by virtue hereof. All your representations, warranties and agreements of the District in this Purchase Contract shall survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriters, (b) delivery of and payment by the Underwriters for the Bonds hereunder, and (c) any termination of this Purchase Contract.

14. **Execution in Counterparts.** This Purchase Contract may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document.

15. **Applicable Law.** This Purchase Contract shall be interpreted, governed and enforced in accordance with the laws of the State of California applicable to contracts made and performed in such State.

Very truly yours,

**PIPER JAFFRAY & CO., on behalf of Itself and  
E. J. DE LA ROSA & CO., as Underwriters**

By: \_\_\_\_\_  
Authorized Representative

The foregoing is hereby agreed to and accepted at \_\_\_\_\_ as of the date first above written:

**WEST CONTRA COSTA UNIFIED SCHOOL  
DISTRICT**

By: \_\_\_\_\_  
Associate Superintendent, Business Services

APPENDIX A

\$ \_\_\_\_\_  
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
(Contra Costa County, California)  
General Obligation Bonds, Election of 2010, Series B

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>
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\$ \_\_\_\_\_ - \_\_\_\_\_ % Term Bonds due August 1, 20\_\_ - Yield \_\_\_\_\_ %

**Redemption Provisions**

*Optional Redemption.* The 2010 Series B Bonds maturing on or before August 1, 20\_\_ are not subject to redemption prior to their respective maturity dates. The 2010 Series B Bonds maturing on or after August 1, 20\_\_ are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date, on or after August 1, 20\_\_, at a redemption price equal to the principal amount of the 2010 Series B Bonds called for redemption, without premium, together with interest accrued thereon to the date of redemption.

**Mandatory Sinking Fund Redemption.** The 2010 Series B Term Bonds maturing on August 1, 20\_\_, are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20\_\_, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amount represented by such 2010 Series B Bonds to be so redeemed and the dates therefor and the final payment date are as indicated in the following table:

Year Ending <u>August 1</u>	Principal <u>To Be Redeemed</u>
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<sup>(1)</sup> Maturity.

In the event that portions of the 2010 Series B Term Bonds shown above are optionally redeemed prior to their respective maturity dates, the remaining mandatory sinking fund payments with respect thereto shall be reduced proportionately, in integral multiples of \$5,000 principal amount, in respect of the portion of such 2010 Series B Term Bonds optionally redeemed.

\$ \_\_\_\_\_  
**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT**  
**(Contra Costa County, California)**  
**General Obligation Bonds, Election of 2012, Series A**

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>
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\$ \_\_\_\_\_ - \_\_\_\_\_ % Term Bonds due August 1, 20\_\_ - Yield \_\_\_\_\_ %

**Redemption Provisions**

*Optional Redemption.* The 2012 Series A Bonds maturing on or before August 1, 20\_\_ are not subject to redemption prior to their respective maturity dates. The 2012 Series A Bonds maturing on or after August 1, 20\_\_ are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date, on or after August 1, 20\_\_, at a redemption price equal to the principal amount of the 2012 Series A Bonds called for redemption, without premium, together with interest accrued thereon to the date of redemption.



***Mandatory Sinking Fund Redemption.*** The 2012 Series A Term Bonds maturing on August 1, 20\_\_, are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20\_\_, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amount represented by such 2012 Series A Bonds to be so redeemed and the dates therefor and the final payment date are as indicated in the following table:

Year Ending <u>August 1</u>	Principal <u>To Be Redeemed</u>
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<sup>(1)</sup> Maturity.

In the event that portions of the 2012 Series A Term Bonds shown above are optionally redeemed prior to their respective maturity dates, the remaining mandatory sinking fund payments with respect thereto shall be reduced proportionately, in integral multiples of \$5,000 principal amount, in respect of the portion of such 2012 Series A Term Bonds optionally redeemed.

**RESOLUTION NO. 29-1314**

**A RESOLUTION OF THE BOARD OF EDUCATION OF THE WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT, CONTRA COSTA COUNTY, CALIFORNIA, AUTHORIZING THE ISSUANCE OF WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT (CONTRA COSTA COUNTY, CALIFORNIA) GENERAL OBLIGATION BONDS, ELECTION OF 2012, SERIES A, AND ACTIONS RELATED THERETO**

**WHEREAS**, a duly called municipal election was held in the West Contra Costa Unified School District (the "District"), Contra Costa County (the "County"), State of California, on November 6, 2012 (the "Election") and thereafter canvassed pursuant to law;

**WHEREAS**, at the Election there was submitted to and approved by the requisite fifty-five percent or more vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for the various purposes set forth in the ballot submitted to the voters, in the maximum amount not-to-exceed \$360,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District (the "Authorization");

**WHEREAS**, at this time this Board of Education (the "Board") has determined that it is necessary and desirable to issue the first series of bonds under the Authorization in an aggregate principal amount not-to-exceed \$85,000,000, and to be styled as "West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2012, Series A" (the "Bonds");

**WHEREAS**, pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Government Code"), the Bonds are authorized to be issued by the District for purposes set forth in the ballot submitted to the voters at the Election;

**WHEREAS**, this Board desires to authorize the issuance of the Bonds in one or more series of current interest taxable or tax-exempt bonds;

**WHEREAS**, the District has not filed with nor received from the County office of education having jurisdiction over the District a qualified or negative certification in its most recent interim financial report pursuant to Section 42131 of the California Education Code;

**WHEREAS**, this Board desires to appoint certain professionals to provide services related to the issuance of the Bonds; and

**WHEREAS**, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including this proposed issue of Bonds, is within all limits prescribed by law;

**NOW, THEREFORE, BE IT FOUND, DETERMINED AND RESOLVED BY THE BOARD OF EDUCATION OF THE WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT, CONTRA COSTA COUNTY, CALIFORNIA, AS FOLLOWS:**

**SECTION 1 Authorization for Issuance of the Bonds.** To raise money for the purposes authorized by the voters of the District at the Election, and to pay all necessary legal, financial, engineering and contingent costs in connection therewith, the Board hereby authorizes the issuance of the Bonds pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code in one or more series of taxable or tax-exempt current interest bonds, with appropriate designation if more than one series is issued, as set forth in the fully executed Bond Purchase Contract (as defined herein). The Board further orders such Bonds sold such that the Bonds shall be dated as of a date to be determined by an Authorized Officer (defined herein), shall be payable upon such terms and provisions as shall be set forth in the Bonds, and shall be in an aggregate principal amount not-to-exceed \$85,000,000.

**SECTION 2 Paying Agent.** This Board hereby appoints the Paying Agent, as defined herein, to serve as the paying agent, bond registrar, transfer agent and authentication agent for the Bonds on behalf of the District. This Board hereby approves the payment of the reasonable fees and expenses of the Paying Agent as they shall become due and payable. The fees and expenses of the Paying Agent which are not paid as a cost of issuance of the Bonds may be paid in each year from *ad valorem* taxes levied and collected for the payment thereof, insofar as permitted by law, including specifically by Section 15232 of the Education Code.

**SECTION 3 Terms and Conditions of Sale.** The Bonds shall be sold upon the direction of the Superintendent, the Associate Superintendent, Business Services of the District, the Executive Director of Business Services of the District, or such other officers or employees of the District as the Superintendent, the Associate Superintendent, Business Services, or the Executive Director of Business Services may designate (collectively, the "Authorized Officers"). The Board hereby authorizes the sale of the Bonds at a negotiated sale, which is determined to provide more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Bonds to fit the needs of particular purchasers, and a greater opportunity for the Underwriters (as defined herein) to pre-market the Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds. The Bonds shall be sold pursuant to the terms and conditions set forth in the Purchase Contract, as described below.

**SECTION 4 Approval of Purchase Contract.** The form of contract for purchase of the Bonds (the "Purchase Contract") by and between the District and the Underwriters, for the purchase and sale of the Bonds, substantially in the form on file with the Board, is hereby approved and the Authorized Officers, each alone, are hereby authorized and requested to acknowledge the execution of such Purchase Contract; provided, however, that the maximum interest rate on the Bonds shall not exceed the maximum rate permitted by law and the underwriting discount thereon, excluding original issue discount and expenses of the Underwriters, shall not exceed 0.5% of the aggregate principal amount of Bonds issued. The Authorized Officers, each alone, are further authorized to determine the principal amount of the Bonds to be specified in the Purchase Contract for sale by the District up to \$85,000,000 and to enter into and execute the Purchase Contract with the Underwriters, if the conditions set forth in this Resolution are satisfied. The Board estimates that the costs associated with the issuance of the Bonds, including compensation to the Underwriters (but excluding fees of the Bond Insurer, if any), will equal approximately 1.5% of the principal amount of the Bonds.

**SECTION 5 Certain Definitions.** As used in this Resolution, the terms set forth below shall have the meanings ascribed to them (unless otherwise set forth in the Purchase Contract):

(a) **“Beneficial Owner”** means, when used with reference to book-entry Bonds registered pursuant to Section 6 hereof, the person who is considered the beneficial owner of such Bonds pursuant to the arrangements for book entry determination of ownership applicable to the Depository.

(b) **“Bond Insurer”** means any insurance company which issues a municipal bond insurance policy insuring the payment of principal of and interest on the Bonds.

(c) **“Bond Payment Date”** means, as applicable (and unless otherwise provided by the Purchase Contract), February 1 and August 1 of each year commencing February 1, 2014 with respect to interest thereon, and the stated maturity dates thereof with respect to the principal payments on the Bonds.

(d) **“Code”** means the Internal Revenue Code of 1986, as amended. Reference to any particular section of the Code shall be deemed to be a reference to any successor to any such section.

(e) **“Continuing Disclosure Certificate”** means that certain Continuing Disclosure Certificate executed by the District pursuant to paragraph (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, dated as of the date of issuance of the Bonds, as amended from time to time in accordance with the provisions thereof.

(f) **“Dated Date”** means the date of initial issuance and delivery of the Bonds, or such other date as shall appear in the Purchase Contract or Official Statement.

(g) **“Depository”** means the entity acting as securities depository for the Bonds pursuant to Section 6(c) hereof.

(h) **“DTC”** means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, in its capacity as the initial Depository for the Bonds.

(i) **“Fair Market Value”** means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security—State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the District and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

(j) **“Holder” or “Owner”** means the registered owner of a Bond as set forth on the registration books maintained by the Paying Agent pursuant to Section 6 hereof.

(k) **“Information Services”** means Financial Information, Inc.’s Financial Daily Called Bond Service; Mergent, Inc.’s Called Bond Department; or Standard & Poor’s J.J. Kenny Information Services’ Called Bond Service.

(l) **“Nominee”** means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 6(c) hereof.

(m) **“Non-AMT Bonds”** means obligations the interest on which is excludable from gross income for federal income tax purposes under Section 103(a) of the Code and not treated as an item of tax preference under Section 57(a)(5)(C) of the Code, that are legal investments pursuant to Section 53601 of the Government Code of the State of California.

(n) **“Official Statement”** means the Official Statement for the Bonds, as described in Section 17 hereof.

(o) **“Outstanding”** means, when used with reference to the Bonds, as of any date, Bonds theretofore issued or thereupon being issued under this Resolution except:

(i) Bonds canceled at or prior to such date;

(ii) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Section 8 hereof; or

(iii) Bonds for the payment or redemption of which funds or Government Obligations in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Bonds), in accordance with Section 19 of this Resolution

(p) **“Participants”** means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as securities depository.

(q) **“Paying Agent”** means, initially The Bank of New York Mellon Trust Company, N.A., or such other Paying Agent as shall be named in the Purchase Contract or Official Statement, and afterwards any successor financial institution.

(r) **“Permitted Investments”** means (i) any lawful investments permitted by Section 16429.1 and Section 53601 of the Government Code, including Non-AMT Bonds and Qualified Non-AMT Mutual Funds, (ii) shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code which invests exclusively in investments permitted by Section 53635 of the Government Code, but without regard to any limitations in such Section concerning the percentage of moneys available for investment being invested in a particular type of security, (iii) a guaranteed investment contract with a provider rated in at least the second highest category by each Rating Agency then rating the Bonds and approved by the Bond Insurer, if any, (iv) the Local Agency Investments Fund of the California State Treasurer, (v) the county investment pool maintained by the Treasurer of the County, and (vi) State and Local Government Series Securities.

(s) **“Qualified Non-AMT Mutual Fund”** means stock in a regulated investment company to the extent that at least 95% of the income of such regulated investment company is interest that is excludable from gross income under Section 103 of the Code and not an item of tax preference under Section 57(a)(5)(C) of the Code.

(t) **“Qualified Permitted Investments”** means (i) Non-AMT Bonds, (ii) Qualified Non-AMT Mutual Funds, (iii) other Permitted Investments authorized by an opinion of Bond Counsel to the effect that such investment would not adversely affect the tax-exempt status of the Bonds, and (iv) Permitted Investments of proceeds of the Bonds, and interest earned on such proceeds, held not more than thirty days pending reinvestment or Bond redemption. A guaranteed investment contract or similar investment agreement (e.g. a forward supply contract, GIC, repo, etc.) does not constitute a Qualified Permitted Investment.

(u) **“Rating Agencies”** means (i) Standard & Poor’s Rating Service, a Standard & Poor’s Financial Services LLC business, (ii) Fitch Ratings and (iii) Moody’s Investors Service.

(v) **“Record Date”** means the close of business on the 15th day of the month preceding each Bond Payment Date.

(w) **“Securities Depository”** means The Depository Trust Company, 55 Water Street, New York, New York 10041, Tel: (212) 855-1000 or Fax: (212) 855-7320.

(x) **“Taxable Bonds”** means any Bonds not issued as Tax-Exempt Bonds.

(y) **“Tax-Exempt Bonds”** means any Bonds the interest in which is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax, as further described in an opinion of Bond Counsel supplied to the original purchasers of such Bonds.

(z) **“Term Bonds”** means those Bonds for which mandatory redemption dates have been established in the Purchase Contract.

(aa) **“Treasurer”** means the Treasurer-Tax Collector of the County, or other comparable officer of the County.

## **SECTION 6 Terms of the Bonds.**

(a) **Denomination, Interest, Dated Dates.** The Bonds shall be issued as fully registered bonds registered as to both principal and interest, in denominations of \$5,000 principal amount or any integral multiple thereof. The Bonds shall bear interest at a rate or rates such that the interest rate shall not exceed that authorized at the Election. The Bonds will initially be registered to “Cede & Co.,” the Nominee of the Depository Trust Company, New York, New York.

Each Bond shall be dated as of the Dated Date, and shall bear interest from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated during the period from the 16<sup>th</sup> day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record Date, in which event it shall bear interest from its Dated Date. Interest shall be payable on the respective Bond Payment Dates and shall be calculated on the basis of a 360-day year of 12, 30-day months.

(b) Redemption.

(i) Terms of Redemption. The Bonds shall be subject to optional or mandatory sinking fund redemption prior to maturity as provided in the Purchase Contract or the Official Statement.

(ii) Selection of Bonds for Redemption. Whenever provision is made in this Resolution for the optional redemption of Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Bonds for redemption as so directed, and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent shall select Bonds for redemption as directed by the District and, if not so directed, by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple thereof.

The Purchase Contract may provide that (i) in the event that any portion of Bonds subject to mandatory sinking fund redemption are optionally redeemed prior to maturity, the remaining mandatory sinking fund payments with respect to such Bonds shall be reduced proportionately, in integral multiples of \$5,000 principal amount, in respect of the portion of such Bonds optionally redeemed, and (ii) within a maturity, Bonds shall be selected for redemption on a "Pro Rata Pass-Through Distribution of Principal" basis in accordance with DTC procedures, provided further that, such redemption is made in accordance with the operational arrangements of DTC then in effect.

(iii) Redemption Notice. When redemption is authorized or required pursuant to Section 6(b) hereof, the Paying Agent, upon written instruction from the District, shall give notice (a "Redemption Notice") of the redemption of the Bonds. Such Redemption Notice shall specify: the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, the date of redemption, the place or places where the redemption will be made, including the name and address of the Paying Agent, the redemption price, the CUSIP numbers (if any) assigned to the Bonds to be redeemed, the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the principal amount of such Bond to be redeemed, and the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed at the redemption price thereof, together with the interest accrued to the redemption date, and that from and after such date, interest with respect thereto shall cease to accrue.

The Paying Agent shall take the following actions with respect to each such Redemption Notice:

(a) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Bonds designated for redemption by registered or certified mail, postage prepaid, at their addresses appearing on the Bond Register.

(b) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to the Securities Depository.

(c) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, or (ii) overnight delivery service, to one of the Information Services.

A certificate of the Paying Agent or the District that a Redemption Notice has been given as provided herein shall be conclusive as against all parties. Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear or include the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

With respect to any notice of optional redemption of Bonds (or portions thereof) pursuant to Section 6(b)(i) hereof, unless upon the giving of such notice such Bonds or portions thereof shall be deemed to have been defeased pursuant to Section 19 hereof, such notice shall state that such redemption shall be conditional upon the receipt by an independent escrow agent selected by the District on or prior to the date fixed for such redemption of the moneys necessary and sufficient to pay the principal of, and premium, if any, and interest on, such Bonds (or portions thereof) to be redeemed, and that if such moneys shall not have been so received said notice shall be of no force and effect, no portion of the Bonds shall not be subject to redemption on such date and such Bonds shall not be required to be redeemed on such date. In the event that such Redemption Notice contains such a condition and such moneys are not so received, the redemption shall not be made and the Paying Agent shall within a reasonable time thereafter (but in no event later than the date originally set for redemption) give notice to the persons to whom and in the manner in which the Redemption Notice was given that such moneys were not so received. In addition, the District shall have the right to rescind any Redemption Notice, by written notice to the Paying Agent, on or prior to the date fixed for such redemption. The Paying Agent shall distribute a notice of the rescission of such notice in the same manner as such notice was originally provided.

(iv) Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in Transfer Amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(v) Effect of Redemption Notice. Notice having been given as aforesaid, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside as provided in Section 19 hereof, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided in Section 6(b) hereof, together with interest accrued to such redemption date, shall be held in trust so as to be available therefor on such redemption date, and if a Redemption Notice thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Bonds to be redeemed shall cease to accrue and become payable. All money held for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.



(vi) Bonds No Longer Outstanding. When any Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held irrevocably in trust for the payment of the redemption price of such Bonds or portions thereof, and accrued interest with respect thereto to the date fixed for redemption, all as provided in this Resolution, then such Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 6 shall be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be cancelled by the Paying Agent.

(c) Book-Entry System.

(i) Election of Book-Entry System. The Bonds shall initially be delivered in the form of a separate single fully-registered bond (which may be typewritten) for each maturity date of such Bonds in an authorized denomination (except for any odd denomination Bond). The ownership of each such Bond shall be registered in the Bond Register (as defined below) in the name of the Nominee, as nominee of the Depository and ownership of the Bonds, or any portion thereof may not thereafter be transferred except as provided in Section 6(c)(i)(4).

With respect to book-entry Bonds, the District and the Paying Agent shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such book-entry Bonds. Without limiting the immediately preceding sentence, the District and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in book-entry Bonds, (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Bond Register, of any notice with respect to book-entry Bonds, including any Redemption Notice, (iii) the selection by the Depository and its Participants of the beneficial interests in book-entry Bonds to be prepaid in the event the District redeems the Bonds in part, or (iv) the payment by the Depository or any Participant or any other person, of any amount with respect to principal of, and premium, if any, or interest on the book-entry Bonds. The District and the Paying Agent may treat and consider the person in whose name each book-entry Bond is registered in the Bond Register as the absolute Owner of such book-entry Bond for the purpose of payment of principal of and premium and interest on and to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of and premium, if any, and interest on the Bonds only to or upon the order of the respective Owner, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a certificate evidencing the obligation to make payments of principal of, and premium, if any, and interest on the Bonds. Upon delivery by the Depository to the Owner and the Paying Agent, of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to the Record Date, the word Nominee in this Resolution shall refer to such nominee of the Depository.

1. Delivery of Letter of Representations. In order to qualify the book-entry Bonds for the Depository's book-entry system, the District and the Paying Agent shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the District or the Paying Agent any obligation whatsoever with respect to persons having interests in such book-entry Bonds other than the Owners, as shown on the Bond Register. By executing a Letter of Representations, the Paying Agent shall agree to take all action necessary at all times so that the District will be in compliance with all representations of the District in such Letter of Representations. In addition to the execution and delivery of a Letter of Representations, the District and the Paying Agent shall take such other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify book-entry Bonds for the Depository's book-entry program.

2. Selection of Depository. In the event (i) the Depository determines not to continue to act as securities depository for book-entry Bonds, or (ii) the District determines that continuation of the book-entry system is not in the best interest of the Beneficial Owners of the Bonds or the District, then the District will discontinue the book-entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered bond for each maturity date of such Outstanding book-entry Bond, registered in the name of such successor or substitute qualified securities depository or its Nominee as provided in subsection (4) hereof. If the District fails to identify another qualified securities depository to replace the Depository, then the Bonds shall no longer be restricted to being registered in such Bond Register in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging such Bonds shall designate, in accordance with the provisions of this Section 6(c).

3. Payments and Notices to Depository. Notwithstanding any other provision of this Resolution to the contrary, so long as all Outstanding Bonds are held in book entry form and registered in the name of the Nominee, all payments by the District or the Paying Agent with respect to principal of and premium, if any, or interest on the Bonds and all notices with respect to such Bonds, including notices of redemption, shall be made and given, respectively to the Nominee, as provided in the Letter of Representations or as otherwise required or instructed by the Depository and agreed to by the Paying Agent notwithstanding any inconsistent provisions herein.

4. Transfer of Bonds to Substitute Depository.

(A) The Bonds shall be initially issued as described in the Official Statement described herein. Registered ownership of such Bonds, or any portions thereof, may not thereafter be transferred except:

(1) to any successor of DTC or its nominee, or of any substitute depository designated pursuant to Section 6(c)(i)(4)(A)(2) ("Substitute Depository"); provided that any successor of DTC or Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(2) to any Substitute Depository, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC (or its successor) is no

longer able to carry out its functions as depository; provided that any such Substitute Depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(3) to any person as provided below, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC or its successor (or Substitute Depository or its successor) is no longer able to carry out its functions as depository.

(B) In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(1) or (2), upon receipt of all Outstanding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent designating the Substitute Depository, a single new Bond, which the District shall prepare or cause to be prepared, shall be executed and delivered for each maturity of Bonds then Outstanding, registered in the name of such successor or such Substitute Depository or their Nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(3), upon receipt of all Outstanding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, new Bonds, which the District shall prepare or cause to be prepared, shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such written request of the District, provided that the Paying Agent shall not be required to deliver such new Bonds within a period of less than sixty (60) days from the date of receipt of such written request from the District.

(C) In the case of a partial redemption or an advance refunding of any Bonds evidencing a portion of the principal maturing in a particular year, DTC or its successor (or any Substitute Depository or its successor) shall make an appropriate notation on such Bonds indicating the date and amounts of such reduction in principal, in form acceptable to the Paying Agent, all in accordance with the Letter of Representations. The Paying Agent shall not be liable for such Depository's failure to make such notations or errors in making such notations.

(D) The District and the Paying Agent shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof for all purposes of this Resolution and any applicable laws, notwithstanding any notice to the contrary received by the Paying Agent or the District; and the District and the Paying Agent shall not have responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any Beneficial Owners of the Bonds. Neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to any such Beneficial Owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of any Bonds, and the Paying Agent may rely conclusively on its records as to the identity of the Owners of the Bonds.

**SECTION 7 Execution of the Bonds.** The Bonds shall be signed by the President of the Board, or other member of the Board authorized to do so by resolution of the Board, by their manual or facsimile signature and countersigned by the manual or facsimile signature of the Secretary of the Board, all in their official capacities. No Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Bond is signed by the Paying Agent as authenticating agent. Authentication by the

Paying Agent shall be conclusive evidence that the Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

**SECTION 8 Paying Agent; Transfer and Exchange.** So long as any of the Bonds remain Outstanding, the District will cause the Paying Agent to maintain and keep at its principal office all books and records necessary for the registration, exchange and transfer of the Bonds as provided in this Section. Subject to the provisions of Section 9 below, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute Owner of that Bond for all purposes of this Resolution. Payment of or on account of the principal of, premium, if any, and interest on any Bond shall be made only to or upon the order of such Owner; neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Bonds, including interest, to the extent of the amount or amounts so paid.

Any Bond may be exchanged for Bonds of like series, tenor, maturity and Transfer Amount upon presentation and surrender at the principal office of the Paying Agent, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Bond may be transferred on the Bond Register only upon presentation and surrender of the Bond at the principal office of the Paying Agent together with an assignment executed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new bond or bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the Transfer Amount of the Bond surrendered and bearing or accruing interest at the same rate and maturing on the same date.

If any Bond shall become mutilated, the District, at the expense of the Owner of said Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like series, tenor, maturity and Transfer Amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Paying Agent of the Bond so mutilated. If any Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Paying Agent and, if such evidence be satisfactory to the Paying Agent and indemnity for the Paying Agent and the District satisfactory to the Paying Agent shall be given by the Owner, the District, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like series, tenor, maturity and Transfer Amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Bond the Paying Agent may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Paying Agent and the District). The Paying Agent may require payment of a reasonable fee for each new Bond issued under this paragraph and of the expenses which may be incurred by the District and the Paying Agent.

If signatures on behalf of the District are required in connection with an exchange or transfer, the Paying Agent shall undertake the exchange or transfer of Bonds only after the new Bonds are signed by the authorized officers of the District. In all cases of exchanged or transferred Bonds, the District shall sign and the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the Bonds surrendered upon that exchange or transfer.

Any Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be cancelled by the Paying Agent. The District may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Bonds that the District may have acquired in any manner whatsoever, and those Bonds shall be promptly cancelled by the Paying Agent. Written reports of the surrender and cancellation of Bonds shall be made to the District by the Paying Agent as requested by the District. The cancelled Bonds shall be retained for three years, then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 16th business day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or any day on which the applicable Redemption Notice is given or (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

**SECTION 9 Payment.** Payment of interest on any Bond shall be made on any Bond Payment Date to the person appearing on the registration books of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by wire transfer or check mailed to such Owner on the Bond Payment Date at his or her address as it appears on such registration books or at such other address as he or she may have filed with the Paying Agent for that purpose on or before the Record Date. The Owner in an aggregate principal amount of One Million Dollars (\$1,000,000) or more may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The principal, and redemption premiums, if any, payable on the Bonds and redemption premiums, if any, payable on the Bonds shall be payable upon maturity or redemption upon surrender at the principal office of the Paying Agent. The principal of, and premiums, if any, and interest on, the Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the Bonds when duly presented for payment at maturity, and to cancel all Bonds upon payment thereof. The Bonds are general obligations of the District and do not constitute an obligation of the County except as provided in this Resolution. No part of any fund of the County is pledged or obligated to the payment of the Bonds.

**SECTION 10 Form of Bonds.** The Bonds shall be in substantially the forms as set forth in Exhibit A hereto, allowing those officials executing the Bonds to make the insertions and deletions necessary to conform the Bonds to this Resolution and the Purchase Contract.

**SECTION 11 Delivery of Bonds.** The proper officials of the District shall cause the Bonds to be prepared and, following their sale, shall have the Bonds signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Bonds, to the Underwriters upon payment of the purchase price therefor.

**SECTION 12 Deposit of Proceeds of Bonds.** (a) The purchase price received from the Underwriters pursuant to the Purchase Contract, to the extent of the principal amount thereof, shall be paid to the County to the credit of the fund hereby authorized to be created to be known as the "West Contra Costa Unified School District General Obligation Bonds, Election of 2012, Series A Building Fund" (the "Building Fund") of the District, shall be kept separate and distinct from all other District and County funds, and those proceeds shall be used solely for the purpose for which the Bonds are being issued and provided further that such proceeds shall be applied solely to the purposes authorized by the voters of the District at the Election. The County shall have no responsibility for assuring the proper use of the Bond proceeds by the District. The Building Fund may contain subaccounts if the

Bonds are issued in more than one series. The purchase price received from the Underwriters pursuant to the Purchase Contract, to the extent of any accrued interest and any net original issue premium, shall be kept separate and apart in the fund hereby authorized to be created and designated as the "West Contra Costa Unified School District General Obligation Bonds, Election of 2012, Series A Debt Service Fund" (the "Debt Service Fund") for the Bonds and used for payment of principal of and interest on the Bonds, and for no other purpose. The Debt Service Fund may contain subaccounts if the Bonds are issued in more than one series. Interest earnings on monies held in the Building Fund shall be retained in the Building Fund. Interest earnings on monies held in the Debt Service Fund shall be retained in the Debt Service Fund. Any excess proceeds of the Bonds not needed for the authorized purposes set forth herein for which the Bonds are being issued upon written notice from the District shall be transferred to the Debt Service Fund and applied to the payment of principal of and interest on the Bonds. If, after payment in full of the Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District.

The costs of issuance of the Bonds are hereby authorized to be paid either from premium withheld by the Underwriters upon the sale of the Bonds, or from the principal amount of the Bonds received from the Underwriters. To the extent costs of issuance are paid from such principal amount, the District, may direct that a portion thereof, in an amount not-to-exceed 2.0% of such principal amount, in lieu of being deposited into the Building Fund, be deposited in a costs of issuance account to be held by a fiscal agent of the District appointed for such purpose.

(b) Moneys in the Debt Service Fund and the Building Fund shall be invested, after consultation with the County, in Permitted Investments. If at the time of issuance the District determines to issue the Bonds as Tax-Exempt Bonds without regard to the Internal Revenue Code "temporary period" restrictions, all investment of Bond proceeds shall be subject to paragraph (1) below; and the District, in consultation with the County, may provide for an agent to assist the County in investing funds pursuant to paragraph (1) below. If the District fails to direct the County or its agent, as the case may be, the County or its agent shall invest or cause the funds in the Building Fund to be invested in Qualified Permitted Investments, subject to the provisions of paragraph (1) below, until such time as the District provides written direction to invest such funds otherwise. Neither the County nor its officers and agents, as the case may be, shall have any responsibility or obligation to determine the tax consequences of any investment. The interest earned on the moneys deposited to the Building Fund shall be applied as set forth in subparagraph (1)(C) below:

(1) Covenant Regarding Investment of Proceeds.

(A) Permitted Investments. Beginning on the delivery date, and at all times until expenditure for authorized purposes, not less than 95% of the proceeds of the Bonds deposited in the Building Fund, including investment earnings thereon, will be invested in Qualified Permitted Investments. Notwithstanding the preceding provisions of this Section, for purposes of this paragraph, amounts derived from the disposition or redemption of Qualified Permitted Investments and held pending reinvestment or redemption for a period of not more than 30 days may be invested in Permitted Investments. The District hereby authorizes investments made pursuant to this Resolution with maturities exceeding five years.

(B) Recordkeeping and Monitoring Relating to Building Fund.

i. Information Regarding Permitted Investments. The District hereby covenants that it will record or cause to be recorded with respect to each Permitted Investment in the Building Fund the following information: purchase date; purchase price; information establishing the Fair Market Value of such Permitted Investment; face amount; coupon rate; periodicity of interest payments; disposition price; disposition date; and any accrued interest received upon disposition.

ii. Information in Qualified Non-AMT Mutual Funds. The District hereby covenants that, with respect to each investment of proceeds of the Bonds in a Qualified Non-AMT Mutual Fund pursuant to paragraph (1)(A) above, in addition to recording, or causing to be recorded, the information set forth in paragraph (1)(B)(i) above, it will retain a copy of each IRS information reporting form and account statement provided by such Qualified Non-AMT Mutual Fund.

iii. Monthly Investment Fund Statements. The District covenants that it will obtain, at the beginning of each month following the delivery date, a statement of the investments in the Building Fund detailing the nature, amount and value of each investment as of such statement date.

iv. Retention of Records. The District hereby covenants that it will retain the records referred to in paragraph (1)(B)(i) and each IRS information reporting form referred to in paragraph (1)(B)(ii) with its books and records with respect to the Bonds until three years following the last date that any obligation comprising the Bonds is retired.

(C) Interest Earned on Permitted Investments. The interest earned on the moneys deposited in the Building Fund shall be deposited in the Building Fund and used for the purposes of that fund.

Except as required to satisfy the requirements of Section 148(f) of the Code, interest earned on the investment of moneys held in the Debt Service Fund shall be retained in the Debt Service Fund and used by the County to pay the principal of and interest on the Bonds when due.

**SECTION 13 Rebate Fund.** The following provisions shall apply to any Bonds issued as Tax-Exempt Bonds.

(a) The District shall create and establish a special fund designated the “West Contra Costa Unified School District General Obligation Bonds, Election of 2012, Series A Rebate Fund” (the “Rebate Fund”). All amounts at any time on deposit in the Rebate Fund shall be held in trust, to the extent required to satisfy the requirement to make rebate payments to the United States (the “Rebate Requirement”) pursuant to Section 148 of the Code, and the Treasury Regulations promulgated thereunder (the “Treasury Regulations”). Such amounts shall be free and clear of any lien hereunder and shall be governed by this Section and by the Tax Certificate to be executed by the District in connection with the Tax-Exempt Bonds (the “Tax Certificate”).

(b) Within 45 days of the end of each fifth Bond Year (as such term is defined in the Tax Certificate), (1) the District shall calculate or cause to be calculated with respect to the Bonds the amount that would be considered the “rebate amount” within the meaning of Section 1.148-3 of the Treasury Regulations, using as the “computation date” for this purpose the end of such Bond Year, and

(2) the District shall deposit to the Rebate Fund from amounts on deposit in the other funds established hereunder or from other District funds, if and to the extent required, amounts sufficient to cause the balance in the Rebate Fund to be equal to the “rebate amount” so calculated. The District shall not be required to deposit any amount to the Rebate Fund in accordance with the preceding sentence, if the amount on deposit in the Rebate Fund prior to the deposit required to be made under this subsection (b) equals or exceeds the “rebate amount” calculated in accordance with the preceding sentence. Such excess may be withdrawn from the Rebate Fund to the extent permitted under subsection (g) of this Section. The District shall not be required to calculate the “rebate amount” and shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b), with respect to all or a portion of the proceeds of the Bonds (including amounts treated as proceeds of the Bonds) (1) to the extent such proceeds satisfy the expenditure requirements of Section 148(f)(4)(B) or Section 148(f)(4)(C) of the Code or Section 1.148-7(d) of the Treasury Regulations, whichever is applicable, and otherwise qualify for the exception to the Rebate Requirement pursuant to whichever of said sections is applicable, (2) to the extent such proceeds are subject to an election by the District under Section 148(f)(4)(C)(vii) of the Code to pay a one and one-half percent (1½%) penalty in lieu of arbitrage rebate in the event any of the percentage expenditure requirements of Section 148(f)(4)(C) are not satisfied, or (3) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a “bona fide debt service fund.” In such event, and with respect to such amounts, the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b).

(c) Any funds remaining in the Rebate Fund after redemption of all the Bonds and any amounts described in paragraph (2) of subsection (d) of this Section, or provision made therefor satisfactory to the District, including accrued interest, shall be remitted to the District.

(d) Subject to the exceptions contained in subsection (b) of this Section to the requirement to calculate the “rebate amount” and make deposits to the Rebate Fund, the District shall pay to the United States, from amounts on deposit in the Rebate Fund,

(1) not later than 60 days after the end of (i) the fifth Bond Year, and (ii) each fifth Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the “rebate amount” calculated as of the end of such Bond Year in accordance with Section 1.148-3 of the Treasury Regulations; and

(2) not later than 60 days after the payment of all Bonds, an amount equal to 100% of the “rebate amount” calculated as of the date of such payment (and any income attributable to the “rebate amount” determined to be due and payable) in accordance with Section 1.148-3 of the Treasury Regulations.

(e) In the event that, prior to the time any payment is required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the District shall calculate (or have calculated) the amount of such deficiency and deposit an amount equal to such deficiency into the Rebate Fund prior to the time such payment is due.

(f) Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service, on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, such form to be prepared or caused to be prepared by the District.



(g) In the event that immediately following the calculation required by subsection (b) of this Section, but prior to any deposit made under said subsection, the amount on deposit in the Rebate Fund exceeds the “rebate amount” calculated in accordance with said subsection, the District may withdraw the excess from the Rebate Fund and credit such excess to the Debt Service Fund.

(h) The District shall retain records of all determinations made hereunder until three years after the complete retirement of the Bonds.

(i) Notwithstanding anything in this Resolution to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the Bonds.

**SECTION 14 Security for the Bonds.** There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* tax annually during the period the Bonds are Outstanding in an amount sufficient to pay the principal of and interest on the Bonds when due, which moneys when collected will be placed in the Debt Service Fund of the District, which fund is hereby designated for the payment of the principal of and interest on the Bonds when and as the same fall due, and for no other purpose.

The moneys in the Debt Service Fund, to the extent necessary to pay the principal, of and interest on the Bonds as the same become due and payable, shall be transferred by the Treasurer to the Paying Agent which, in turn, shall pay such moneys to DTC to pay such principal and interest. DTC will thereupon make payments of principal of and interest on the Bonds to the DTC Participants who will thereupon make payments of such principal of and interest to the Beneficial Owners of the Bonds. Any moneys remaining in the Debt Service Fund after the Bonds and the interest thereon have been paid in full, or provision for such payment has been made, shall be transferred to the general fund of the District, pursuant to the Education Code Section 15234.

**SECTION 15 Arbitrage Covenant.** The District covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary, so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code and the applicable regulations prescribed thereunder or any predecessor section. Calculations for determining arbitrage requirements are the sole responsibility of the District.

**SECTION 16 Conditions Precedent.** The Board determines that all acts and conditions necessary to be performed by the Board or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

**SECTION 17 Official Statement.** The Preliminary Official Statement relating to the Bonds, substantially in the form on file with the Board is hereby approved and the Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deliver such Preliminary Official Statement to the Underwriters to be used in connection with the offering and sale of the Bonds. The Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deem the Preliminary Official Statement “final” pursuant to 15c2-12 of the Securities Exchange Act of 1934, prior to its distribution and to execute and deliver to the Underwriters a final Official Statement, substantially in the form of the Preliminary Official Statement, with such changes therein, deletions therefrom and modifications

thereto as the Authorized Officer executing the same shall approve. The Underwriters are hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Bonds, and such Underwriters are directed to deliver copies of any final Official Statement to the purchasers of the Bonds. Execution of the Official Statement shall conclusively evidence the District's approval of the Official Statement.

**SECTION 18 Insurance.** In the event the District purchases bond insurance for the Bonds, and to the extent that the Bond Insurer makes payment of the principal of or interest on the Bonds, it shall become the Owner of such Bonds with the right to payment of such principal or interest, and shall be fully subrogated to all of the Owners' rights, including the Owners' rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that were past due interest components, the Paying Agent shall note the Bond Insurer's rights as subrogee on the registration books for the Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer for the payment of such interest to the Owners of the Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Paying Agent shall note the Bond Insurer as subrogee on the registration books for the Bonds maintained by the Paying Agent upon surrender of the Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond Insurer.

**SECTION 19 Defeasance.** All or any portion of the Outstanding maturities of the Bonds may be defeased prior to maturity in the following ways:

(a) Cash: by irrevocably depositing with an independent escrow agent selected by the District an amount of cash which, together with amounts transferred from the Debt Service Fund, is sufficient to pay all Bonds Outstanding and designated for defeasance (including all principal thereof and redemption premiums, if any) at or before their maturity date; or

(b) Government Obligations: by irrevocably depositing with an independent escrow agent selected by the District noncallable Government Obligations together with amounts transferred from the Debt Service Fund and any other cash, if required, in such amount as will, together with interest to accrue thereon, in the opinion of an independent certified public accountant, be fully sufficient to pay and discharge all Bonds Outstanding and designated for defeasance (including all principal thereof and redemption premiums, if any) at or before their maturity date;

then, notwithstanding that any of such Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such designated Outstanding Bonds shall cease and terminate, except only the obligation of the independent escrow agent selected by the District to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) of this Section, to the Owners of such designated Bonds not so surrendered and paid all sums due with respect thereto.

For purposes of this Section, Government Obligations shall mean:

Direct and general obligations of the United States of America, or obligations that are unconditionally guaranteed as to principal and interest by the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute interest strips), or "prerefunded" municipal obligations rated in the highest rating category by Moody's Investors Service ("Moody's") or Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business ("S&P"). In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership

of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (i) a bank or trust company acts as custodian and holds the underlying United States obligations; (ii) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (iii) the underlying United States obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed at least as high as direct and general obligations of the United States of America by either Moody's or S&P.

**SECTION 20 Nonliability of County.** Notwithstanding anything to the contrary contained herein, in the Bonds or in any other document mentioned herein, neither the County, nor its officials, officers, employees or agents shall have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby, the Bonds are not a debt of the County or a pledge of the County's full faith and credit, and the Bonds and any liability in connection therewith shall be paid solely from *ad valorem* taxes lawfully levied to pay the principal of or interest on the Bonds.

**SECTION 21 Indemnification of County.** The District shall defend, indemnify and hold harmless the County, its officials, officers, agents and employees ("Indemnified Parties") against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject based in whole or in part upon any acts or omission related to the Bonds, except with regard to the County's responsibilities under Section 23 hereof. The District shall also reimburse the Indemnified Parties for any legal or other costs and expenses incurred in connection with investigating or defending any such claims or liabilities, except with regard to the County's responsibilities under Section 23 hereof.

**SECTION 22 Reimbursement of County Costs.** The District shall reimburse the County for all costs and expenses incurred by the County, its officials, officers, agents and employees in issuing or otherwise in connection with the issuance of the Bonds.

**SECTION 23 Request to County to Levy Tax.** The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of *ad valorem* property taxes in each year sufficient to pay all principal of and interest coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds. The District hereby requests the Board of Supervisors to annually levy a tax upon all taxable property in the District sufficient to pay all such principal and interest coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds.

**SECTION 24 Other Actions.** (a) Officers of the Board and District officials and staff are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The Board hereby appoints Piper Jaffray & Co., San Francisco, California, and E. J. De La Rosa & Co., San Francisco, California, as the Underwriters, KNN Public Finance, Oakland, California, as Financial Advisor, Stradling Yocca Carlson & Rauth, San Francisco, California a

Professional Corporation, as Bond Counsel, and Garcia, Hernández, Sawhney & Bermudez, LLP, Oakland, California, as Disclosure Counsel, all with respect to the issuance of the Bonds.

(c) Notwithstanding any other provisions contained herein, the provisions of this Resolution as they relate to the Bonds may be amended by the Purchase Contract and the Official Statement.

**SECTION 25 Resolution to County Treasurer-Tax Collector.** The Secretary to this Board is hereby directed to provide a certified copy of this Resolution to the Treasurer-Tax Collector immediately following its adoption.

**SECTION 26 Continuing Disclosure.** The District hereby covenants and agrees that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate executed by the District and dated as of the Dated Date, as originally executed and as it may be amended from time to time in accordance with the terms thereof. Any Bond Holder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section. Noncompliance with this Section shall not result in acceleration of the Bonds.

**SECTION 27 Effective Date.** This Resolution shall take effect immediately upon its passage.

**SECTION 28 Further Actions Authorized.** It is hereby covenanted that the District, and its appropriate officials, have duly taken all actions necessary to be taken by them, and will take any additional actions necessary to be taken by them, for carrying out the provisions of this Resolution.

**SECTION 29 Recitals.** All the recitals in this Resolution above are true and correct and this Board so finds, determines and represents.

PASSED, ADOPTED AND APPROVED this 25th day of September, 2013, by the following vote:

AYES:	MEMBERS	_____
NOES:	MEMBERS	_____
ABSTAIN:	MEMBERS	_____
ABSENT:	MEMBERS	_____

\_\_\_\_\_  
President of the Board of Education

ATTEST:

\_\_\_\_\_  
Secretary to the Board of Education

SECRETARY'S CERTIFICATE

I, \_\_\_\_\_, Secretary to the Board of Education of the West Contra Costa Unified School District, Contra Costa County, California, hereby certify as follows:

The foregoing is a full, true and correct copy of a Resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly and legally held at the regular meeting place thereof on September 25, 2013, of which meeting all of the members of the Board of said District had due notice and at which a quorum was present.

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

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

Dated: September 25, 2013

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Secretary to the Board of Education of the West Contra  
Costa Unified School District

**EXHIBIT A**  
**FORM OF BOND**

REGISTERED  
NO.

REGISTERED  
\$

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
(CONTRA COSTA COUNTY, CALIFORNIA)  
GENERAL OBLIGATION BONDS, ELECTION OF 2012, SERIES A

<u>INTEREST RATE:</u> ___% per annum	<u>MATURITY DATE:</u> August 1, 20__	<u>DATED AS OF:</u> _____, 2013	<u>CUSIP</u>
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REGISTERED OWNER:      CEDE & CO.

PRINCIPAL AMOUNT:

The West Contra Costa Unified School District (the "District") in Contra Costa County, California (the "County"), for value received, promises to pay to the Registered Owner named above, or registered assigns, the principal amount on the Maturity Date, each as stated above, and interest thereon until the principal amount is paid or provided for at the Interest Rate stated above, on February 1 and August 1 of each year (the "Bond Payment Dates"), commencing February 1, 2014. This bond will bear interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before January 15, 2014, in which event it shall bear interest from the Date of Delivery. Interest shall be computed on the basis of a 360-day year of 12, 30-day months. Principal and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered, such owner being the Registered Owner, on the Register maintained by the Paying Agent, initially The Bank of New York Mellon Trust Company, N.A. Principal is payable upon presentation and surrender of this bond at the principal office of the Paying Agent. Interest is payable by check or draft mailed by the Paying Agent on each Bond Payment Date to the Registered Owner of this bond (or one or more predecessor bonds) as shown and at the address appearing on the Register at the close of business on the 15th day of the calendar month next preceding that Bond Payment Date (the "Record Date"). The Owner of Bonds in the aggregate principal amount of \$1,000,000 or more may request in writing to the Paying Agent that the Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

This bond is one of an authorization of bonds approved to raise money for the purposes authorized by voters of the District at the Election (defined herein) and to pay all necessary legal, financial, engineering and contingent costs in connection therewith under authority of and pursuant to the laws of the State of California, and the requisite vote of the electors of the District cast at a general election held on November 6, 2012 (the "Election"), upon the question of issuing bonds in the amount

of \$360,000,000 and the resolution of the Board of Education of the District adopted on September 25, 2013 (the "Bond Resolution"). This bond is being issued under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code. This bond and the issue of which this bond is one are payable as to both principal and interest solely from the proceeds of the levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount in accordance with California Education Code Sections 15250 and 15252.

The bonds of this issue (collectively, the "Bonds") comprise \$\_\_\_\_\_ principal amount of Current Interest Bonds, of which this bond is a part.

This bond is exchangeable and transferable for bonds of like tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the designated office of the Paying Agent in Los Angeles, California, by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. All fees and costs of transfer shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any bond during a period beginning with the opening of business on the 16th business day next preceding either any Bond Payment Date or any date of selection of bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given or (b) to transfer any bond which has been selected or called for redemption in whole or in part.

The Bonds maturing on or before August 1, 20\_\_ are not subject to redemption prior to their fixed maturity dates. The Bonds maturing on or after August 1, 20\_\_ are subject to redemption at the option of the District, as a whole or in part, on any date on or after August 1, 20\_\_ at a redemption price equal to the principal amount of the Bonds to be redeemed, plus interest thereon to the date fixed for redemption, without premium.

The Bonds maturing on August 1, 20\_\_, are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20\_\_, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amount represented by such Bonds to be so redeemed and the dates therefor and the final principal payment date is as indicated in the following table:

Redemption Dates

Principal amounts

TOTAL

If less than all of the bonds of any one maturity shall be called for redemption, the particular bonds or portions of bonds of such maturity to be redeemed shall be selected by lot by Paying as in such manner as the Paying Agent may determine; provided, however, that the portion of any bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof. If less than all of the bonds stated to mature on different dates shall be called for redemption, the particular bonds or portions

thereof to be redeemed shall be called by the Paying Agent in any order directed by the District and, if not so directed, in the inverse order of maturity.

Reference is made to the Bond Resolution for a more complete description of certain defined terms used herein, as well as the provisions, among others, with respect to the nature and extent of the security for the bonds of this series, the rights, duties and obligations of the District, the Paying Agent and the Registered Owners, and the terms and conditions upon which the bonds are issued and secured. The Registered Owner of this bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the bonds; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.



IN WITNESS WHEREOF, the West Contra Costa Unified School District, Contra Costa County, California, has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signature of the President of the Board of Education of the District, and to be countersigned by the manual or facsimile signature of the Secretary of the Board of Education of the District, all as of the date stated above.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

By: \_\_\_\_\_ (Facsimile Signature)  
President of the Board of Education

COUNTERSIGNED:

\_\_\_\_\_  
(Facsimile Signature)  
Secretary of the Board of Education

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the Bond Resolution referred to herein which has been authenticated and registered on \_\_\_\_\_, 2013.

By: THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Paying Agent

\_\_\_\_\_  
Authorized Officer

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and zip code of Transferee): \_\_\_\_\_ this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:  
  
\_\_\_\_\_

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the within bond in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: \_\_\_\_\_

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

LEGAL OPINION

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation in connection with the issuance of, and dated as of the date of the original delivery of, the bonds. A signed copy is on file in my office.

\_\_\_\_\_  
(Facsimile Signature)  
Secretary of the Board of Education

**RESOLUTION NO. 30-1314**

**A RESOLUTION OF THE BOARD OF EDUCATION OF THE WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT, CONTRA COSTA COUNTY, CALIFORNIA, AUTHORIZING THE ISSUANCE OF WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT (CONTRA COSTA COUNTY, CALIFORNIA) GENERAL OBLIGATION BONDS, ELECTION OF 2010, SERIES B, AND ACTIONS RELATED THERETO**

**WHEREAS**, a duly called municipal election was held in the West Contra Costa Unified School District (the "District"), Contra Costa County (the "County"), State of California, on June 8, 2010 (the "Election") and thereafter canvassed pursuant to law;

**WHEREAS**, at the Election there was submitted to and approved by the requisite fifty-five percent or more vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for the various purposes set forth in the ballot submitted to the voters, in the maximum amount not-to-exceed \$380,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District (the "Authorization");

**WHEREAS**, pursuant to the Authorization, on November 22, 2011, the District issued (i) the first series of bonds under the Authorization in an aggregate principal amount of \$79,000,000, and styled as West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2010, Series A (Tax Exempt) (the "Series A Bonds"), and (ii) the second series of bonds under the Authorization in an aggregate principal amount of \$21,000,000, and styled as West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2010, Series A-1 (Qualified School Construction Bonds – Direct Payment) (Federally Taxable) (the "Series A-1 Bonds");

**WHEREAS**, at this time this Board of Education (the "Board") has determined that it is necessary and desirable to issue the third series of bonds under the Authorization in an aggregate principal amount not-to-exceed \$40,000,000, and to be styled as "West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2010, Series B" (the "Bonds");

**WHEREAS**, pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Government Code"), the Bonds are authorized to be issued by the District for purposes set forth in the ballot submitted to the voters at the Election;

**WHEREAS**, this Board desires to authorize the issuance of the Bonds in one or more series of current interest taxable or tax-exempt bonds;

**WHEREAS**, the District has not filed with nor received from the County office of education having jurisdiction over the District a qualified or negative certification in its most recent interim financial report pursuant to Section 42131 of the California Education Code;

**WHEREAS**, this Board desires to appoint certain professionals to provide services related to the issuance of the Bonds; and

**WHEREAS**, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including this proposed issue of Bonds, is within all limits prescribed by law;

**NOW, THEREFORE, BE IT FOUND, DETERMINED AND RESOLVED BY THE BOARD OF EDUCATION OF THE WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT, CONTRA COSTA COUNTY, CALIFORNIA, AS FOLLOWS:**

**SECTION 1 Authorization for Issuance of the Bonds.** To raise money for the purposes authorized by the voters of the District at the Election, and to pay all necessary legal, financial, engineering and contingent costs in connection therewith, the Board hereby authorizes the issuance of the Bonds pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code in one or more series of taxable or tax-exempt current interest bonds, with appropriate designation if more than one series is issued, as set forth in the fully executed Bond Purchase Contract (as defined herein). The Board further orders such Bonds sold such that the Bonds shall be dated as of a date to be determined by an Authorized Officer (defined herein), shall be payable upon such terms and provisions as shall be set forth in the Bonds, and shall be in an aggregate principal amount not-to-exceed \$40,000,000.

**SECTION 2 Paying Agent.** This Board hereby appoints the Paying Agent, as defined herein, to serve as the paying agent, bond registrar, transfer agent and authentication agent for the Bonds on behalf of the District. This Board hereby approves the payment of the reasonable fees and expenses of the Paying Agent as they shall become due and payable. The fees and expenses of the Paying Agent which are not paid as a cost of issuance of the Bonds may be paid in each year from *ad valorem* taxes levied and collected for the payment thereof, insofar as permitted by law, including specifically by Section 15232 of the Education Code.

**SECTION 3 Terms and Conditions of Sale.** The Bonds shall be sold upon the direction of the Superintendent, the Associate Superintendent, Business Services of the District, the Executive Director of Business Services of the District, or such other officers or employees of the District as the Superintendent, the Associate Superintendent, Business Services, or the Executive Director of Business Services may designate (collectively, the "Authorized Officers"). The Board hereby authorizes the sale of the Bonds at a negotiated sale, which is determined to provide more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Bonds to fit the needs of particular purchasers, and a greater opportunity for the Underwriters (as defined herein) to pre-market the Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds. The Bonds shall be sold pursuant to the terms and conditions set forth in the Purchase Contract, as described below.

**SECTION 4 Approval of Purchase Contract.** The form of contract for purchase of the Bonds (the "Purchase Contract") by and between the District and the Underwriters, for the purchase and sale of the Bonds, substantially in the form on file with the Board, is hereby approved and the Authorized Officers, each alone, are hereby authorized and requested to acknowledge the execution of such Purchase Contract; provided, however, that the maximum interest rate on the Bonds shall not exceed the maximum rate permitted by law and the underwriting discount thereon, excluding original issue discount and expenses of the Underwriters, shall not exceed 0.5% of the aggregate principal amount of Bonds issued. The Authorized Officers, each alone, are further authorized to determine the principal amount of the Bonds to be specified in the Purchase Contract for sale by the District up to

\$40,000,000 and to enter into and execute the Purchase Contract with the Underwriters, if the conditions set forth in this Resolution are satisfied. The Board estimates that the costs associated with the issuance of the Bonds, including compensation to the Underwriters (but excluding fees of the Bond Insurer, if any), will equal approximately 1.5% of the principal amount of the Bonds.

**SECTION 5 Certain Definitions.** As used in this Resolution, the terms set forth below shall have the meanings ascribed to them (unless otherwise set forth in the Purchase Contract):

(a) **“Beneficial Owner”** means, when used with reference to book-entry Bonds registered pursuant to Section 6 hereof, the person who is considered the beneficial owner of such Bonds pursuant to the arrangements for book entry determination of ownership applicable to the Depository.

(b) **“Bond Insurer”** means any insurance company which issues a municipal bond insurance policy insuring the payment of principal of and interest on the Bonds.

(c) **“Bond Payment Date”** means, as applicable (and unless otherwise provided by the Purchase Contract), February 1 and August 1 of each year commencing February 1, 2014 with respect to interest thereon, and the stated maturity dates thereof with respect to the principal payments on the Bonds.

(d) **“Code”** means the Internal Revenue Code of 1986, as amended. Reference to any particular section of the Code shall be deemed to be a reference to any successor to any such section.

(e) **“Continuing Disclosure Certificate”** means that certain Continuing Disclosure Certificate executed by the District pursuant to paragraph (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, dated as of the date of issuance of the Bonds, as amended from time to time in accordance with the provisions thereof.

(f) **“Dated Date”** means the date of initial issuance and delivery of the Bonds, or such other date as shall appear in the Purchase Contract or Official Statement.

(g) **“Depository”** means the entity acting as securities depository for the Bonds pursuant to Section 6(c) hereof.

(h) **“DTC”** means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, in its capacity as the initial Depository for the Bonds.

(i) **“Fair Market Value”** means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions

and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security—State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the District and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

(j) **“Holder” or “Owner”** means the registered owner of a Bond as set forth on the registration books maintained by the Paying Agent pursuant to Section 6 hereof.

(k) **“Information Services”** means Financial Information, Inc.’s Financial Daily Called Bond Service; Mergent, Inc.’s Called Bond Department; or Standard & Poor’s J.J. Kenny Information Services’ Called Bond Service.

(l) **“Nominee”** means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 6(c) hereof.

(m) **“Non-AMT Bonds”** means obligations the interest on which is excludable from gross income for federal income tax purposes under Section 103(a) of the Code and not treated as an item of tax preference under Section 57(a)(5)(C) of the Code, that are legal investments pursuant to Section 53601 of the Government Code of the State of California.

(n) **“Official Statement”** means the Official Statement for the Bonds, as described in Section 17 hereof.

(o) **“Outstanding”** means, when used with reference to the Bonds, as of any date, Bonds theretofore issued or thereupon being issued under this Resolution except:

(i) Bonds canceled at or prior to such date;

(ii) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Section 8 hereof; or

(iii) Bonds for the payment or redemption of which funds or Government Obligations in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Bonds), in accordance with Section 19 of this Resolution

(p) **“Participants”** means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as securities depository.

(q) **“Paying Agent”** means, initially The Bank of New York Mellon Trust Company, N.A., or such other Paying Agent as shall be named in the Purchase Contract or Official Statement, and afterwards any successor financial institution.

(r) **“Permitted Investments”** means (i) any lawful investments permitted by Section 16429.1 and Section 53601 of the Government Code, including Non-AMT Bonds and

Qualified Non-AMT Mutual Funds, (ii) shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code which invests exclusively in investments permitted by Section 53635 of the Government Code, but without regard to any limitations in such Section concerning the percentage of moneys available for investment being invested in a particular type of security, (iii) a guaranteed investment contract with a provider rated in at least the second highest category by each Rating Agency then rating the Bonds and approved by the Bond Insurer, if any, (iv) the Local Agency Investments Fund of the California State Treasurer, (v) the county investment pool maintained by the Treasurer of the County, and (vi) State and Local Government Series Securities.

(s) **“Qualified Non-AMT Mutual Fund”** means stock in a regulated investment company to the extent that at least 95% of the income of such regulated investment company is interest that is excludable from gross income under Section 103 of the Code and not an item of tax preference under Section 57(a)(5)(C) of the Code.

(t) **“Qualified Permitted Investments”** means (i) Non-AMT Bonds, (ii) Qualified Non-AMT Mutual Funds, (iii) other Permitted Investments authorized by an opinion of Bond Counsel to the effect that such investment would not adversely affect the tax-exempt status of the Bonds, and (iv) Permitted Investments of proceeds of the Bonds, and interest earned on such proceeds, held not more than thirty days pending reinvestment or Bond redemption. A guaranteed investment contract or similar investment agreement (e.g. a forward supply contract, GIC, repo, etc.) does not constitute a Qualified Permitted Investment.

(u) **“Rating Agencies”** means (i) Standard & Poor’s Rating Service, a Standard & Poor’s Financial Services LLC business, (ii) Fitch Ratings and (iii) Moody’s Investors Service.

(v) **“Record Date”** means the close of business on the 15th day of the month preceding each Bond Payment Date.

(w) **“Securities Depository”** means The Depository Trust Company, 55 Water Street, New York, New York 10041, Tel: (212) 855-1000 or Fax: (212) 855-7320.

(x) **“Taxable Bonds”** means any Bonds not issued as Tax-Exempt Bonds.

(y) **“Tax-Exempt Bonds”** means any Bonds the interest in which is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax, as further described in an opinion of Bond Counsel supplied to the original purchasers of such Bonds.

(z) **“Term Bonds”** means those Bonds for which mandatory redemption dates have been established in the Purchase Contract.

(aa) **“Treasurer”** means the Treasurer-Tax Collector of the County, or other comparable officer of the County.

## **SECTION 6 Terms of the Bonds.**

(a) **Denomination, Interest, Dated Dates.** The Bonds shall be issued as fully registered bonds registered as to both principal and interest, in denominations of \$5,000 principal amount or any integral multiple thereof. The Bonds shall bear interest at a rate or rates such that the interest rate shall

not exceed that authorized at the Election. The Bonds will initially be registered to “Cede & Co.,” the Nominee of the Depository Trust Company, New York, New York.

Each Bond shall be dated as of the Dated Date, and shall bear interest from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated during the period from the 16<sup>th</sup> day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record Date, in which event it shall bear interest from its Dated Date. Interest shall be payable on the respective Bond Payment Dates and shall be calculated on the basis of a 360-day year of 12, 30-day months.

(b) Redemption.

(i) Terms of Redemption. The Bonds shall be subject to optional or mandatory sinking fund redemption prior to maturity as provided in the Purchase Contract or the Official Statement.

(ii) Selection of Bonds for Redemption. Whenever provision is made in this Resolution for the optional redemption of Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Bonds for redemption as so directed, and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent shall select Bonds for redemption as directed by the District and, if not so directed, by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple thereof.

The Purchase Contract may provide that (i) in the event that any portion of Bonds subject to mandatory sinking fund redemption are optionally redeemed prior to maturity, the remaining mandatory sinking fund payments with respect to such Bonds shall be reduced proportionately, in integral multiples of \$5,000 principal amount, in respect of the portion of such Bonds optionally redeemed, and (ii) within a maturity, Bonds shall be selected for redemption on a “Pro Rata Pass-Through Distribution of Principal” basis in accordance with DTC procedures, provided further that, such redemption is made in accordance with the operational arrangements of DTC then in effect.

(iii) Redemption Notice. When redemption is authorized or required pursuant to Section 6(b) hereof, the Paying Agent, upon written instruction from the District, shall give notice (a “Redemption Notice”) of the redemption of the Bonds. Such Redemption Notice shall specify: the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, the date of redemption, the place or places where the redemption will be made, including the name and address of the Paying Agent, the redemption price, the CUSIP numbers (if any) assigned to the Bonds to be redeemed, the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the principal amount of such Bond to be redeemed, and the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed at the redemption price thereof, together with the interest accrued to the redemption date, and that from and after such date, interest with respect thereto shall cease to accrue.



The Paying Agent shall take the following actions with respect to each such Redemption Notice:

(a) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Bonds designated for redemption by registered or certified mail, postage prepaid, at their addresses appearing on the Bond Register.

(b) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to the Securities Depository.

(c) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, or (ii) overnight delivery service, to one of the Information Services.

A certificate of the Paying Agent or the District that a Redemption Notice has been given as provided herein shall be conclusive as against all parties. Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear or include the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

With respect to any notice of optional redemption of Bonds (or portions thereof) pursuant to Section 6(b)(i) hereof, unless upon the giving of such notice such Bonds or portions thereof shall be deemed to have been defeased pursuant to Section 19 hereof, such notice shall state that such redemption shall be conditional upon the receipt by an independent escrow agent selected by the District on or prior to the date fixed for such redemption of the moneys necessary and sufficient to pay the principal of, and premium, if any, and interest on, such Bonds (or portions thereof) to be redeemed, and that if such moneys shall not have been so received said notice shall be of no force and effect, no portion of the Bonds shall not be subject to redemption on such date and such Bonds shall not be required to be redeemed on such date. In the event that such Redemption Notice contains such a condition and such moneys are not so received, the redemption shall not be made and the Paying Agent shall within a reasonable time thereafter (but in no event later than the date originally set for redemption) give notice to the persons to whom and in the manner in which the Redemption Notice was given that such moneys were not so received. In addition, the District shall have the right to rescind any Redemption Notice, by written notice to the Paying Agent, on or prior to the date fixed for such redemption. The Paying Agent shall distribute a notice of the rescission of such notice in the same manner as such notice was originally provided.

(iv) Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in Transfer Amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(v) Effect of Redemption Notice. Notice having been given as aforesaid, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside as provided in Section 19 hereof, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided in Section 6(b) hereof, together with interest accrued to such redemption date, shall be held in trust so as to be available therefor on such redemption date, and if a Redemption Notice thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Bonds to be redeemed shall cease to accrue and become payable. All money held for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.

(vi) Bonds No Longer Outstanding. When any Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held irrevocably in trust for the payment of the redemption price of such Bonds or portions thereof, and accrued interest with respect thereto to the date fixed for redemption, all as provided in this Resolution, then such Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 6 shall be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be cancelled by the Paying Agent.

(c) Book-Entry System.

(i) Election of Book-Entry System. The Bonds shall initially be delivered in the form of a separate single fully-registered bond (which may be typewritten) for each maturity date of such Bonds in an authorized denomination (except for any odd denomination Bond). The ownership of each such Bond shall be registered in the Bond Register (as defined below) in the name of the Nominee, as nominee of the Depository and ownership of the Bonds, or any portion thereof may not thereafter be transferred except as provided in Section 6(c)(i)(4).

With respect to book-entry Bonds, the District and the Paying Agent shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such book-entry Bonds. Without limiting the immediately preceding sentence, the District and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in book-entry Bonds, (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Bond Register, of any notice with respect to book-entry Bonds, including any Redemption Notice, (iii) the selection by the Depository and its Participants of the beneficial interests in book-entry Bonds to be prepaid in the event the District redeems the Bonds in part, or (iv) the payment by the Depository or any Participant or any other person, of any amount with respect to principal of, and premium, if any, or interest on the book-entry Bonds. The District and the Paying Agent may treat and consider the person in whose name each book-entry Bond is registered in the Bond Register as the absolute Owner of such book-entry Bond for the purpose of payment of principal of and premium and interest on and to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all

other purposes whatsoever. The Paying Agent shall pay all principal of and premium, if any, and interest on the Bonds only to or upon the order of the respective Owner, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a certificate evidencing the obligation to make payments of principal of, and premium, if any, and interest on the Bonds. Upon delivery by the Depository to the Owner and the Paying Agent, of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to the Record Date, the word Nominee in this Resolution shall refer to such nominee of the Depository.

1. Delivery of Letter of Representations. In order to qualify the book-entry Bonds for the Depository's book-entry system, the District and the Paying Agent shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the District or the Paying Agent any obligation whatsoever with respect to persons having interests in such book-entry Bonds other than the Owners, as shown on the Bond Register. By executing a Letter of Representations, the Paying Agent shall agree to take all action necessary at all times so that the District will be in compliance with all representations of the District in such Letter of Representations. In addition to the execution and delivery of a Letter of Representations, the District and the Paying Agent shall take such other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify book-entry Bonds for the Depository's book-entry program.

2. Selection of Depository. In the event (i) the Depository determines not to continue to act as securities depository for book-entry Bonds, or (ii) the District determines that continuation of the book-entry system is not in the best interest of the Beneficial Owners of the Bonds or the District, then the District will discontinue the book-entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered bond for each maturity date of such Outstanding book-entry Bond, registered in the name of such successor or substitute qualified securities depository or its Nominee as provided in subsection (4) hereof. If the District fails to identify another qualified securities depository to replace the Depository, then the Bonds shall no longer be restricted to being registered in such Bond Register in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging such Bonds shall designate, in accordance with the provisions of this Section 6(c).

3. Payments and Notices to Depository. Notwithstanding any other provision of this Resolution to the contrary, so long as all Outstanding Bonds are held in book entry form and registered in the name of the Nominee, all payments by the District or the Paying Agent with respect to principal of and premium, if any, or interest on the Bonds and all notices with respect to such Bonds, including notices of redemption, shall be made and given, respectively to the Nominee, as provided in the Letter of Representations or as otherwise required or instructed by the Depository and agreed to by the Paying Agent notwithstanding any inconsistent provisions herein.

4. Transfer of Bonds to Substitute Depository.

(A) The Bonds shall be initially issued as described in the Official Statement described herein. Registered ownership of such Bonds, or any portions thereof, may not thereafter be transferred except:

(1) to any successor of DTC or its nominee, or of any substitute depository designated pursuant to Section 6(c)(i)(4)(A)(2) (“Substitute Depository”); provided that any successor of DTC or Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(2) to any Substitute Depository, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC (or its successor) is no longer able to carry out its functions as depository; provided that any such Substitute Depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(3) to any person as provided below, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC or its successor (or Substitute Depository or its successor) is no longer able to carry out its functions as depository.

(B) In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(1) or (2), upon receipt of all Outstanding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent designating the Substitute Depository, a single new Bond, which the District shall prepare or cause to be prepared, shall be executed and delivered for each maturity of Bonds then Outstanding, registered in the name of such successor or such Substitute Depository or their Nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(3), upon receipt of all Outstanding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, new Bonds, which the District shall prepare or cause to be prepared, shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such written request of the District, provided that the Paying Agent shall not be required to deliver such new Bonds within a period of less than sixty (60) days from the date of receipt of such written request from the District.

(C) In the case of a partial redemption or an advance refunding of any Bonds evidencing a portion of the principal maturing in a particular year, DTC or its successor (or any Substitute Depository or its successor) shall make an appropriate notation on such Bonds indicating the date and amounts of such reduction in principal, in form acceptable to the Paying Agent, all in accordance with the Letter of Representations. The Paying Agent shall not be liable for such Depository’s failure to make such notations or errors in making such notations.

(D) The District and the Paying Agent shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof for all purposes of this Resolution and any applicable laws, notwithstanding any notice to the contrary received by the Paying Agent or the District; and the District and the Paying Agent shall not have responsibility for transmitting

payments to, communicating with, notifying, or otherwise dealing with any Beneficial Owners of the Bonds. Neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to any such Beneficial Owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of any Bonds, and the Paying Agent may rely conclusively on its records as to the identity of the Owners of the Bonds.

**SECTION 7 Execution of the Bonds.** The Bonds shall be signed by the President of the Board, or other member of the Board authorized to do so by resolution of the Board, by their manual or facsimile signature and countersigned by the manual or facsimile signature of the Secretary of the Board, all in their official capacities. No Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Bond is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

**SECTION 8 Paying Agent; Transfer and Exchange.** So long as any of the Bonds remain Outstanding, the District will cause the Paying Agent to maintain and keep at its principal office all books and records necessary for the registration, exchange and transfer of the Bonds as provided in this Section. Subject to the provisions of Section 9 below, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute Owner of that Bond for all purposes of this Resolution. Payment of or on account of the principal of, premium, if any, and interest on any Bond shall be made only to or upon the order of such Owner; neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Bonds, including interest, to the extent of the amount or amounts so paid.

Any Bond may be exchanged for Bonds of like series, tenor, maturity and Transfer Amount upon presentation and surrender at the principal office of the Paying Agent, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Bond may be transferred on the Bond Register only upon presentation and surrender of the Bond at the principal office of the Paying Agent together with an assignment executed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new bond or bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the Transfer Amount of the Bond surrendered and bearing or accruing interest at the same rate and maturing on the same date.

If any Bond shall become mutilated, the District, at the expense of the Owner of said Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like series, tenor, maturity and Transfer Amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Paying Agent of the Bond so mutilated. If any Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Paying Agent and, if such evidence be satisfactory to the Paying Agent and indemnity for the Paying Agent and the District satisfactory to the Paying Agent shall be given by the Owner, the District, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like series, tenor, maturity and Transfer Amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Bond the Paying Agent may pay the same without surrender

thereof upon receipt of indemnity satisfactory to the Paying Agent and the District). The Paying Agent may require payment of a reasonable fee for each new Bond issued under this paragraph and of the expenses which may be incurred by the District and the Paying Agent.

If signatures on behalf of the District are required in connection with an exchange or transfer, the Paying Agent shall undertake the exchange or transfer of Bonds only after the new Bonds are signed by the authorized officers of the District. In all cases of exchanged or transferred Bonds, the District shall sign and the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the Bonds surrendered upon that exchange or transfer.

Any Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be cancelled by the Paying Agent. The District may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Bonds that the District may have acquired in any manner whatsoever, and those Bonds shall be promptly cancelled by the Paying Agent. Written reports of the surrender and cancellation of Bonds shall be made to the District by the Paying Agent as requested by the District. The cancelled Bonds shall be retained for three years, then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 16th business day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or any day on which the applicable Redemption Notice is given or (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

**SECTION 9 Payment.** Payment of interest on any Bond shall be made on any Bond Payment Date to the person appearing on the registration books of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by wire transfer or check mailed to such Owner on the Bond Payment Date at his or her address as it appears on such registration books or at such other address as he or she may have filed with the Paying Agent for that purpose on or before the Record Date. The Owner in an aggregate principal amount of One Million Dollars (\$1,000,000) or more may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The principal, and redemption premiums, if any, payable on the Bonds and redemption premiums, if any, payable on the Bonds shall be payable upon maturity or redemption upon surrender at the principal office of the Paying Agent. The principal of, and premiums, if any, and interest on, the Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the Bonds when duly presented for payment at maturity, and to cancel all Bonds upon payment thereof. The Bonds are general obligations of the District and do not constitute an obligation of the County except as provided in this Resolution. No part of any fund of the County is pledged or obligated to the payment of the Bonds.

**SECTION 10 Forms of Bonds.** The Bonds shall be in substantially the forms as set forth in Exhibit A hereto, allowing those officials executing the Bonds to make the insertions and deletions necessary to conform the Bonds to this Resolution and the Purchase Contract.

**SECTION 11 Delivery of Bonds.** The proper officials of the District shall cause the Bonds to be prepared and, following their sale, shall have the Bonds signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Bonds, to the Underwriters upon payment of the purchase price therefor.

**SECTION 12 Deposit of Proceeds of Bonds.** (a) The purchase price received from the Underwriters pursuant to the Purchase Contract, to the extent of the principal amount thereof, shall be paid to the County to the credit of the fund hereby authorized to be created to be known as the "West Contra Costa Unified School District General Obligation Bonds, Election of 2010, Series B Building Fund" (the "Building Fund") of the District, shall be kept separate and distinct from all other District and County funds, and those proceeds shall be used solely for the purpose for which the Bonds are being issued and provided further that such proceeds shall be applied solely to the purposes authorized by the voters of the District at the Election. The County shall have no responsibility for assuring the proper use of the Bond proceeds by the District. The Building Fund may contain subaccounts if the Bonds are issued in more than one series. The purchase price received from the Underwriters pursuant to the Purchase Contract, to the extent of any accrued interest and any net original issue premium, shall be kept separate and apart in the fund hereby authorized to be created and designated as the "West Contra Costa Unified School District General Obligation Bonds, Election of 2010, Series B Debt Service Fund" (the "Debt Service Fund") for the Bonds and used for payment of principal of and interest on the Bonds, and for no other purpose. The Debt Service Fund may contain subaccounts if the Bonds are issued in more than one series. Interest earnings on monies held in the Building Fund shall be retained in the Building Fund. Interest earnings on monies held in the Debt Service Fund shall be retained in the Debt Service Fund. Any excess proceeds of the Bonds not needed for the authorized purposes set forth herein for which the Bonds are being issued upon written notice from the District shall be transferred to the Debt Service Fund and applied to the payment of principal of and interest on the Bonds. If, after payment in full of the Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District.

The costs of issuance of the Bonds are hereby authorized to be paid either from premium withheld by the Underwriters upon the sale of the Bonds, or from the principal amount of the Bonds received from the Underwriters. To the extent costs of issuance are paid from such principal amount, the District, may direct that a portion thereof, in an amount not-to-exceed 2.0% of such principal amount, in lieu of being deposited into the Building Fund, be deposited in a costs of issuance account to be held by a fiscal agent of the District appointed for such purpose.

(b) Moneys in the Debt Service Fund and the Building Fund shall be invested, after consultation with the County, in Permitted Investments. If at the time of issuance the District determines to issue the Bonds as Tax-Exempt Bonds without regard to the Internal Revenue Code "temporary period" restrictions, all investment of Bond proceeds shall be subject to paragraph (1) below; and the District, in consultation with the County, may provide for an agent to assist the County in investing funds pursuant to paragraph (1) below. If the District fails to direct the County or its agent, as the case may be, the County or its agent shall invest or cause the funds in the Building Fund to be invested in Qualified Permitted Investments, subject to the provisions of paragraph (1) below, until such time as the District provides written direction to invest such funds otherwise. Neither the County nor its officers and agents, as the case may be, shall have any responsibility or obligation to determine the tax consequences of any investment. The interest earned on the moneys deposited to the Building Fund shall be applied as set forth in subparagraph (1)(C) below:

(1) Covenant Regarding Investment of Proceeds.

(A) Permitted Investments. Beginning on the delivery date, and at all times until expenditure for authorized purposes, not less than 95% of the proceeds of the Bonds deposited in the Building Fund, including investment earnings thereon, will be invested in Qualified Permitted Investments. Notwithstanding the preceding provisions of this Section, for purposes of this paragraph, amounts derived from the disposition or redemption of Qualified Permitted Investments and held pending reinvestment or redemption for a period of not more than 30 days may be invested in Permitted Investments. The District hereby authorizes investments made pursuant to this Resolution with maturities exceeding five years.

(B) Recordkeeping and Monitoring Relating to Building Fund.

i. Information Regarding Permitted Investments. The District hereby covenants that it will record or cause to be recorded with respect to each Permitted Investment in the Building Fund the following information: purchase date; purchase price; information establishing the Fair Market Value of such Permitted Investment; face amount; coupon rate; periodicity of interest payments; disposition price; disposition date; and any accrued interest received upon disposition.

ii. Information in Qualified Non-AMT Mutual Funds. The District hereby covenants that, with respect to each investment of proceeds of the Bonds in a Qualified Non-AMT Mutual Fund pursuant to paragraph (1)(A) above, in addition to recording, or causing to be recorded, the information set forth in paragraph (1)(B)(i) above, it will retain a copy of each IRS information reporting form and account statement provided by such Qualified Non-AMT Mutual Fund.

iii. Monthly Investment Fund Statements. The District covenants that it will obtain, at the beginning of each month following the delivery date, a statement of the investments in the Building Fund detailing the nature, amount and value of each investment as of such statement date.

iv. Retention of Records. The District hereby covenants that it will retain the records referred to in paragraph (1)(B)(i) and each IRS information reporting form referred to in paragraph (1)(B)(ii) with its books and records with respect to the Bonds until three years following the last date that any obligation comprising the Bonds is retired.

(C) Interest Earned on Permitted Investments. The interest earned on the moneys deposited in the Building Fund shall be deposited in the Building Fund and used for the purposes of that fund.

Except as required to satisfy the requirements of Section 148(f) of the Code, interest earned on the investment of moneys held in the Debt Service Fund shall be retained in the Debt Service Fund and used by the County to pay the Principal of and interest on the Bonds when due.



**SECTION 13 Rebate Fund.** The following provisions shall apply to any Bonds issued as Tax-Exempt Bonds.

(a) The District shall create and establish a special fund designated the “West Contra Costa Unified School District General Obligation Bonds, Election of 2010, Series B Rebate Fund” (the “Rebate Fund”). All amounts at any time on deposit in the Rebate Fund shall be held in trust, to the extent required to satisfy the requirement to make rebate payments to the United States (the “Rebate Requirement”) pursuant to Section 148 of the Code, and the Treasury Regulations promulgated thereunder (the “Treasury Regulations”). Such amounts shall be free and clear of any lien hereunder and shall be governed by this Section and by the Tax Certificate to be executed by the District in connection with the Tax-Exempt Bonds (the “Tax Certificate”).

(b) Within 45 days of the end of each fifth Bond Year (as such term is defined in the Tax Certificate), (1) the District shall calculate or cause to be calculated with respect to the Bonds the amount that would be considered the “rebate amount” within the meaning of Section 1.148-3 of the Treasury Regulations, using as the “computation date” for this purpose the end of such Bond Year, and (2) the District shall deposit to the Rebate Fund from amounts on deposit in the other funds established hereunder or from other District funds, if and to the extent required, amounts sufficient to cause the balance in the Rebate Fund to be equal to the “rebate amount” so calculated. The District shall not be required to deposit any amount to the Rebate Fund in accordance with the preceding sentence, if the amount on deposit in the Rebate Fund prior to the deposit required to be made under this subsection (b) equals or exceeds the “rebate amount” calculated in accordance with the preceding sentence. Such excess may be withdrawn from the Rebate Fund to the extent permitted under subsection (g) of this Section. The District shall not be required to calculate the “rebate amount” and shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b), with respect to all or a portion of the proceeds of the Bonds (including amounts treated as proceeds of the Bonds) (1) to the extent such proceeds satisfy the expenditure requirements of Section 148(f)(4)(B) or Section 148(f)(4)(C) of the Code or Section 1.148-7(d) of the Treasury Regulations, whichever is applicable, and otherwise qualify for the exception to the Rebate Requirement pursuant to whichever of said sections is applicable, (2) to the extent such proceeds are subject to an election by the District under Section 148(f)(4)(C)(vii) of the Code to pay a one and one-half percent (1½%) penalty in lieu of arbitrage rebate in the event any of the percentage expenditure requirements of Section 148(f)(4)(C) are not satisfied, or (3) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a “bona fide debt service fund.” In such event, and with respect to such amounts, the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b).

(c) Any funds remaining in the Rebate Fund after redemption of all the Bonds and any amounts described in paragraph (2) of subsection (d) of this Section, or provision made therefor satisfactory to the District, including accrued interest, shall be remitted to the District.

(d) Subject to the exceptions contained in subsection (b) of this Section to the requirement to calculate the “rebate amount” and make deposits to the Rebate Fund, the District shall pay to the United States, from amounts on deposit in the Rebate Fund,

(1) not later than 60 days after the end of (i) the fifth Bond Year, and (ii) each fifth Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the “rebate amount” calculated as of the end of such Bond Year in accordance with Section 1.148-3 of the Treasury Regulations; and

(2) not later than 60 days after the payment of all Bonds, an amount equal to 100% of the “rebate amount” calculated as of the date of such payment (and any income attributable to the “rebate amount” determined to be due and payable) in accordance with Section 1.148-3 of the Treasury Regulations.

(e) In the event that, prior to the time any payment is required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the District shall calculate (or have calculated) the amount of such deficiency and deposit an amount equal to such deficiency into the Rebate Fund prior to the time such payment is due.

(f) Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service, on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, such form to be prepared or caused to be prepared by the District.

(g) In the event that immediately following the calculation required by subsection (b) of this Section, but prior to any deposit made under said subsection, the amount on deposit in the Rebate Fund exceeds the “rebate amount” calculated in accordance with said subsection, the District may withdraw the excess from the Rebate Fund and credit such excess to the Debt Service Fund.

(h) The District shall retain records of all determinations made hereunder until three years after the complete retirement of the Bonds.

(i) Notwithstanding anything in this Resolution to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the Bonds.

**SECTION 14 Security for the Bonds.** There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* tax annually during the period the Bonds are Outstanding in an amount sufficient to pay the principal of and interest on the Bonds when due, which moneys when collected will be placed in the Debt Service Fund of the District, which fund is hereby designated for the payment of the principal of and interest on the Bonds when and as the same fall due, and for no other purpose.

The moneys in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Bonds as the same become due and payable, shall be transferred by the Treasurer to the Paying Agent which, in turn, shall pay such moneys to DTC to pay such principal and interest. DTC will thereupon make payments of principal of and interest on the Bonds to the DTC Participants who will thereupon make payments of such principal of and interest to the Beneficial Owners of the Bonds. Any moneys remaining in the Debt Service Fund after the Bonds and the interest thereon have been paid in full, or provision for such payment has been made, shall be transferred to the general fund of the District, pursuant to the Education Code Section 15234.

**SECTION 15 Arbitrage Covenant.** The District covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary, so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code and the applicable regulations prescribed thereunder or any predecessor section. Calculations for determining arbitrage requirements are the sole responsibility of the District.

**SECTION 16 Conditions Precedent.** The Board determines that all acts and conditions necessary to be performed by the Board or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

**SECTION 17 Official Statement.** The Preliminary Official Statement relating to the Bonds, substantially in the form on file with the Board is hereby approved and the Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deliver such Preliminary Official Statement to the Underwriters to be used in connection with the offering and sale of the Bonds. The Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deem the Preliminary Official Statement “final” pursuant to 15c2-12 of the Securities Exchange Act of 1934, prior to its distribution and to execute and deliver to the Underwriters a final Official Statement, substantially in the form of the Preliminary Official Statement, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve. The Underwriters are hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Bonds, and such Underwriters are directed to deliver copies of any final Official Statement to the purchasers of the Bonds. Execution of the Official Statement shall conclusively evidence the District’s approval of the Official Statement.

**SECTION 18 Insurance.** In the event the District purchases bond insurance for the Bonds, and to the extent that the Bond Insurer makes payment of the principal of or interest on the Bonds, it shall become the Owner of such Bonds with the right to payment of such principal or interest, and shall be fully subrogated to all of the Owners’ rights, including the Owners’ rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that were past due interest components, the Paying Agent shall note the Bond Insurer’s rights as subrogee on the registration books for the Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer for the payment of such interest to the Owners of the Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Paying Agent shall note the Bond Insurer as subrogee on the registration books for the Bonds maintained by the Paying Agent upon surrender of the Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond Insurer.

**SECTION 19 Defeasance.** All or any portion of the Outstanding maturities of the Bonds may be defeased prior to maturity in the following ways:

(a) Cash: by irrevocably depositing with an independent escrow agent selected by the District an amount of cash which, together with amounts transferred from the Debt Service Fund, is sufficient to pay all Bonds Outstanding and designated for defeasance (including all principal thereof and redemption premiums, if any) at or before their maturity date; or

(b) Government Obligations: by irrevocably depositing with an independent escrow agent selected by the District noncallable Government Obligations together with amounts transferred from the Debt Service Fund and any other cash, if required, in such amount as will, together with interest to accrue thereon, in the opinion of an independent certified public accountant, be fully sufficient to pay and discharge all Bonds Outstanding and designated for defeasance (including all principal thereof and redemption premiums, if any) at or before their maturity date;

then, notwithstanding that any of such Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such designated Outstanding Bonds shall cease and terminate, except only the obligation of the independent escrow agent selected by the District to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) of this Section, to the Owners of such designated Bonds not so surrendered and paid all sums due with respect thereto.

For purposes of this Section, Government Obligations shall mean:

Direct and general obligations of the United States of America, or obligations that are unconditionally guaranteed as to principal and interest by the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute interest strips), or “prerefunded” municipal obligations rated in the highest rating category by Moody’s Investors Service (“Moody’s”) or Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business (“S&P”). In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (i) a bank or trust company acts as custodian and holds the underlying United States obligations; (ii) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (iii) the underlying United States obligations are held in a special account, segregated from the custodian’s general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed at least as high as direct and general obligations of the United States of America by either Moody’s or S&P.

**SECTION 20 Nonliability of County.** Notwithstanding anything to the contrary contained herein, in the Bonds or in any other document mentioned herein, neither the County, nor its officials, officers, employees or agents shall have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby, the Bonds are not a debt of the County or a pledge of the County’s full faith and credit, and the Bonds and any liability in connection therewith shall be paid solely from ad valorem taxes lawfully levied to pay the principal of or interest on the Bonds.

**SECTION 21 Indemnification of County.** The District shall defend, indemnify and hold harmless the County, its officials, officers, agents and employees (“Indemnified Parties”) against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject based in whole or in part upon any acts or omission related to the Bonds, except with regard to the County’s responsibilities under Section 23 hereof. The District shall also reimburse the Indemnified Parties for any legal or other costs and expenses incurred in connection with investigating or defending any such claims or liabilities, except with regard to the County’s responsibilities under Section 23 hereof.

**SECTION 22 Reimbursement of County Costs.** The District shall reimburse the County for all costs and expenses incurred by the County, its officials, officers, agents and employees in issuing or otherwise in connection with the issuance of the Bonds.

**SECTION 23 Request to County to Levy Tax.** The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of ad valorem property taxes in each year sufficient to pay all principal of and interest coming due on the Bonds in such year, and to

pay from such taxes all amounts due on the Bonds. The District hereby requests the Board of Supervisors to annually levy a tax upon all taxable property in the District sufficient to pay all such principal and interest coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds.

**SECTION 24 Other Actions.** (a) Officers of the Board and District officials and staff are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The Board hereby appoints Piper Jaffray & Co., San Francisco, California, and E. J. De La Rosa & Co., San Francisco, California, as the Underwriters, KNN Public Finance, Oakland, California, as Financial Advisor, Stradling Yocca Carlson & Rauth, San Francisco, California a Professional Corporation, as Bond Counsel, and Garcia, Hernández, Sawhney & Bermudez, LLP, Oakland, California, as Disclosure Counsel, all with respect to the issuance of the Bonds.

(c) Notwithstanding any other provisions contained herein, the provisions of this Resolution as they relate to the Bonds may be amended by the Purchase Contract and the Official Statement.

**SECTION 25 Resolution to County Treasurer-Tax Collector.** The Secretary to this Board is hereby directed to provide a certified copy of this Resolution to the Treasurer-Tax Collector immediately following its adoption.

**SECTION 26 Continuing Disclosure.** The District hereby covenants and agrees that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate executed by the District and dated as of the Dated Date, as originally executed and as it may be amended from time to time in accordance with the terms thereof. Any Bond Holder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section. Noncompliance with this Section shall not result in acceleration of the Bonds.

**SECTION 27 Effective Date.** This Resolution shall take effect immediately upon its passage.

**SECTION 28 Further Actions Authorized.** It is hereby covenanted that the District, and its appropriate officials, have duly taken all actions necessary to be taken by them, and will take any additional actions necessary to be taken by them, for carrying out the provisions of this Resolution.

**SECTION 29 Recitals.** All the recitals in this Resolution above are true and correct and this Board so finds, determines and represents.

PASSED, ADOPTED AND APPROVED this 25th day of September, 2013, by the following vote:

AYES:	MEMBERS	_____
NOES:	MEMBERS	_____
ABSTAIN:	MEMBERS	_____
ABSENT:	MEMBERS	_____

\_\_\_\_\_  
President of the Board of Education

ATTEST:

\_\_\_\_\_  
Secretary to the Board of Education

SECRETARY'S CERTIFICATE

I, \_\_\_\_\_, Secretary to the Board of Education of the West Contra Costa Unified School District, Contra Costa County, California, hereby certify as follows:

The foregoing is a full, true and correct copy of a Resolution duly adopted at a regular meeting of the Board of Education of said District duly and regularly and legally held at the regular meeting place thereof on September 25, 2013, of which meeting all of the members of the Board of said District had due notice and at which a quorum was present.

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

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

Dated: September 25, 2013

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Secretary to the Board of Education of the West Contra  
Costa Unified School District

**EXHIBIT A**  
**FORM OF BOND**

REGISTERED  
NO.

REGISTERED  
\$

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
(CONTRA COSTA COUNTY, CALIFORNIA)  
GENERAL OBLIGATION BONDS, ELECTION OF 2010, SERIES B

<u>INTEREST RATE:</u> ___% per annum	<u>MATURITY DATE:</u> August 1, 20__	<u>DATED AS OF:</u> _____, 2013	<u>CUSIP</u>
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REGISTERED OWNER:      CEDE & CO.

PRINCIPAL AMOUNT:

The West Contra Costa Unified School District (the "District") in Contra Costa County, California (the "County"), for value received, promises to pay to the Registered Owner named above, or registered assigns, the principal amount on the Maturity Date, each as stated above, and interest thereon until the principal amount is paid or provided for at the Interest Rate stated above, on February 1 and August 1 of each year (the "Bond Payment Dates"), commencing February 1, 2014. This bond will bear interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before January 15, 2014, in which event it shall bear interest from the Date of Delivery. Interest shall be computed on the basis of a 360-day year of 12, 30-day months. Principal and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered, such owner being the Registered Owner, on the Register maintained by the Paying Agent, initially The Bank of New York Mellon Trust Company, N.A. Principal is payable upon presentation and surrender of this bond at the principal office of the Paying Agent. Interest is payable by check or draft mailed by the Paying Agent on each Bond Payment Date to the Registered Owner of this bond (or one or more predecessor bonds) as shown and at the address appearing on the Register at the close of business on the 15th day of the calendar month next preceding that Bond Payment Date (the "Record Date"). The Owner of Bonds in the aggregate principal amount of \$1,000,000 or more may request in writing to the Paying Agent that the Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

This bond is one of an authorization of bonds approved to raise money for the purposes authorized by voters of the District at the Election (defined herein) and to pay all necessary legal, financial, engineering and contingent costs in connection therewith under authority of and pursuant to the laws of the State of California, and the requisite vote of the electors of the District cast at a general election held on June 8, 2010 (the "Election"), upon the question of issuing bonds in the amount of



\$380,000,000 and the resolution of the Board of Education of the District adopted on September 25, 2013 (the "Bond Resolution"). This bond is being issued under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code. This bond and the issue of which this bond is one are payable as to both principal and interest solely from the proceeds of the levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount in accordance with California Education Code Sections 15250 and 15252.

The bonds of this issue (collectively, the "Bonds") comprise \$\_\_\_\_\_ principal amount of Current Interest Bonds, of which this bond is a part.

This bond is exchangeable and transferable for bonds of like tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the designated office of the Paying Agent in San Francisco, California, by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. All fees and costs of transfer shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any bond during a period beginning with the opening of business on the 16th business day next preceding either any Bond Payment Date or any date of selection of bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given or (b) to transfer any bond which has been selected or called for redemption in whole or in part.

The Bonds maturing on or before August 1, 20\_\_ are not subject to redemption prior to their fixed maturity dates. The Bonds maturing on or after August 1, 20\_\_ are subject to redemption at the option of the District, as a whole or in part, on any date on or after August 1, 20\_\_ at a redemption price equal to the principal amount of the Bonds to be redeemed, plus interest thereon to the date fixed for redemption, without premium.

The Bonds maturing on August 1, 20\_\_, are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20\_\_, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amount represented by such Bonds to be so redeemed and the dates therefor and the final principal payment date is as indicated in the following table:

<u>Redemption Dates</u>	<u>Principal amounts</u>
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TOTAL

If less than all of the bonds of any one maturity shall be called for redemption, the particular bonds or portions of bonds of such maturity to be redeemed shall be selected by lot by Paying as in such manner as the Paying Agent may determine; provided, however, that the portion of any bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof. If less than all of the bonds stated to mature on different dates shall be called for redemption, the particular bonds or portions

thereof to be redeemed shall be called by the Paying Agent in any order directed by the District and, if not so directed, in the inverse order of maturity.

Reference is made to the Bond Resolution for a more complete description of certain defined terms used herein, as well as the provisions, among others, with respect to the nature and extent of the security for the bonds of this series, the rights, duties and obligations of the District, the Paying Agent and the Registered Owners, and the terms and conditions upon which the bonds are issued and secured. The Registered Owner of this bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the bonds; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the West Contra Costa Unified School District, Contra Costa County, California, has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signature of the President of the Board of Education of the District, and to be countersigned by the manual or facsimile signature of the Secretary of the Board of Education of the District, all as of the date stated above.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

By: \_\_\_\_\_ (Facsimile Signature)  
President of the Board of Education

COUNTERSIGNED:

\_\_\_\_\_  
(Facsimile Signature)  
Secretary of the Board of Education

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the Bond Resolution referred to herein which has been authenticated and registered on \_\_\_\_\_, 20\_\_.

By: THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Paying Agent

\_\_\_\_\_  
Authorized Officer

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and zip code of Transferee): \_\_\_\_\_ this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the within bond in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: \_\_\_\_\_

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

LEGAL OPINION

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation in connection with the issuance of, and dated as of the date of the original delivery of, the bonds. A signed copy is on file in my office.

\_\_\_\_\_  
(Facsimile Signature)  
Secretary of the Board of Education

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER \_\_, 2013

NEW ISSUE—FULL BOOK-ENTRY

RATINGS: Moody's: \_\_\_  
 S&P: \_\_\_  
 Fitch: \_\_\_  
 See "MISCELLANEOUS—Ratings"

*In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California ("Bond Counsel"), under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the Bonds is exempt from State of California personal income tax. See "TAX MATTERS" herein with respect to tax consequences relating to the Bonds.*

**\$125,000,000\***  
**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT**  
**(CONTRA COSTA COUNTY, CALIFORNIA)**

<b>\$85,000,000*</b>	<b>\$40,000,000*</b>
<b>General Obligation Bonds,</b>	<b>General Obligation Bonds,</b>
<b>Election of 2012, Series A</b>	<b>Election of 2010, Series B</b>

**Dated: Date of Delivery**

**Due: August 1, as shown on the inside cover**

*This cover page is to be viewed as a reference to the information contained in this Official Statement. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.*

The West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2012, Series A in the aggregate principal amount of \$85,000,000\* (the "Series A Bonds") and the West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2010, Series B in the aggregate principal amount of \$40,000,000\* (the "Series B Bonds," and together with the Series A Bonds, the "Bonds") are being issued by the West Contra Costa Unified School District (the "District"), located in Contra Costa County (the "County") to (i) construct and upgrade school facilities, and (ii) pay costs of issuance of the Bonds. See "INTRODUCTION Purpose of Issue"

The Bonds are general obligations of the District payable solely from *ad valorem* taxes. The Board of Supervisors of the County is empowered and is obligated to levy and collect *ad valorem* taxes in each Fiscal year upon all property subject to taxation by the District, without limitation as to rate or amount (except certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Bonds when due. See "TAX BASE FOR REPAYMENT OF THE BONDS—*Ad Valorem* Property Taxation" and "SECURITY FOR THE BONDS." The *ad valorem* property taxes will be levied in amounts sufficient to pay the principal of, and premium, if any, and interest on the Bonds, when due.

Interest on the Bonds is payable semiannually on February 1 and August 1 of each year, commencing February 1, 2014, to maturity or prior redemption thereof. Principal on the Bonds is payable on August 1 in each of the years and in the amounts shown in the Maturity Schedules, on the inside front cover. See "SECURITY FOR THE BONDS—Payment of Principal and Interest."

The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). Purchasers (the "Beneficial Owners") will not receive physical certificates representing their interest in the Bonds. Payments of principal of and interest on the Bonds will be paid by The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, designated as the Paying Agent, Registrar and Transfer Agent, to DTC for subsequent disbursement to DTC Participants, who will remit such payments to the beneficial owners of the Bonds. See "THE BONDS—Book-Entry Only System."

**The Bonds are subject to redemption as more fully described herein. See "THE BONDS—Redemption of Bonds."**

The District may apply for a policy of municipal bond insurance with respect to the Bonds. If bond insurance is purchased, the scheduled payments of principal and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds.

**THE BONDS ARE GENERAL OBLIGATION BONDS OF THE DISTRICT AND DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY. NO PART OF ANY FUND OF THE COUNTY IS PLEDGED OR OBLIGATED TO THE PAYMENT OF THE BONDS.**

**MATURITY SCHEDULES\***  
 (See Inside Front Cover)

*The Bonds will be offered when, as and if issued by the District and received by the Underwriters, subject to approval of their legality by Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Bond Counsel to the District. Certain legal matters will be passed upon for the District by Garcia, Hernández, Sawhney & Bermudez, LLP, Oakland, California, as Disclosure Counsel to the District; and for the Underwriters by Nossaman LLP, Irvine, California. It is anticipated that the Bonds, in book-entry form, will be available for delivery through DTC on or about October \_\_, 2013.*

**PIPER JAFFRAY & CO.**

**DE LA ROSA & CO.**

Dated: October \_\_, 2013

\* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy them be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

**MATURITY SCHEDULE**

**\$85,000,000\***

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
(CONTRA COSTA COUNTY, CALIFORNIA)  
GENERAL OBLIGATION BONDS, ELECTION OF 2012, SERIES A  
Base CUSIP<sup>(†)</sup>: 952347**

<i><u>Maturity Date</u></i> <i>(August 1)</i>	<i><u>Principal</u></i> <i><u>Amount</u></i>	<i><u>Interest</u></i> <i><u>Rate</u></i>	<i><u>Yield</u></i> <sup>(1)</sup>	<i><u>CUSIP</u></i> <sup>(†)</sup> <i><u>Suffix</u></i>
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\* Preliminary, subject to change.

<sup>(†)</sup> CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP. Global Services, managed by Standard and Poor's on behalf of the American Bankers Association. The CUSIP numbers are provided solely for convenience of reference. The District takes no responsibility for the accuracy of such data.

**MATURITY SCHEDULE**

**\$40,000,000\***

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
(CONTRA COSTA COUNTY, CALIFORNIA)  
GENERAL OBLIGATION BONDS, ELECTION OF 2010, SERIES B  
Base CUSIP<sup>(†)</sup>: 952347**

<i><u>Maturity Date</u></i> <i><u>(August 1)</u></i>	<i><u>Principal</u></i> <i><u>Amount</u></i>	<i><u>Interest</u></i> <i><u>Rate</u></i>	<i><u>Yield</u></i> <sup>(1)</sup>	<i><u>CUSIP</u></i> <sup>(†)</sup> <i><u>Suffix</u></i>
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\* Preliminary, subject to change.

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No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representations other than those contained herein. If given or made, such other information or representations must not be relied upon as having been authorized by the District. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

The financial and other information relating to the District presented or incorporated by reference in this Official Statement has been provided by the District from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other revenues, is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial position or other affairs of the District. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

*The Bonds have not been registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, as amended, in reliance upon exemptions contained thereunder by Section 3(a)2 and 3(a)12, respectively, and have not been registered or qualified under the securities laws of any state.*

All other information set forth herein has been obtained from other sources (other than the District). Such information is believed to be reliable but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the District. The information and expressions of opinion herein are subject to change without notice, and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. This Official Statement is being submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the District.

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as a “plan,” “expect,” “estimate,” “project,” “budget” or similar words. Such forward-looking statements include, but are not limited to certain statements contained in the information under “APPENDIX A—DISTRICT FINANCIAL AND OPERATING INFORMATION.”

The achievement of certain results or other expectations contained in such forward-looking statements involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The District does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur.

The District maintains an internet website at [www.wccusd.net/](http://www.wccusd.net/). The information presented on such website is *not* incorporated by reference as part of this Official Statement and should not be relied upon in making investment decisions with respect to the Bonds. Various other websites referred to in this Official Statement also are *not* incorporated herein by such references.

The Underwriters provided the following sentence for inclusion in this Official Statement: “The Underwriters have reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.”

**WITH RESPECT TO THIS OFFERING, THE UNDERWRITERS MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE BONDS DESCRIBED HEREIN TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENTS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED IN THIS OFFICIAL STATEMENT AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.**



# WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

## BOARD OF EDUCATION

Madeline Kronenberg, President  
Charles T. Ramsey, Clerk  
Randall Enos, Member  
Todd A. Groves, Member  
Elaine R. Merriweather, Member

## ADMINISTRATION

Dr. Bruce Harter, Superintendent  
Sheri Gamba, Associate Superintendent, Business Services  
Wendell C. Greer, Associate Superintendent, K-Adult Education  
William Fay, Associate Superintendent, Operations  
Nia Rashidchi, Assistant Superintendent, Education Services  
Kenneth Whittemore, Assistant Superintendent, Human Resources  
Steve Collins, Director, Special Education Local Area Plan

## PROFESSIONAL SERVICES

### Financial Advisor

KNN Public Finance, a Division of Zions First National Bank  
Oakland, California

### Bond Counsel

Stradling Yocca Carlson & Rauth, a Professional Corporation  
San Francisco, California

### Disclosure Counsel

Garcia, Hernández, Sawhney & Bermudez, LLP  
Oakland, California

### Paying Agent

The Bank of New York Mellon Trust Company, N.A.  
Dallas, Texas

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## OFFICIAL STATEMENT

\$125,000,000\*

### WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT (CONTRA COSTA COUNTY, CALIFORNIA)

\$85,000,000\*

**General Obligation Bonds,  
Election of 2012, Series A**

\$40,000,000\*

**General Obligation Bonds,  
Election of 2010, Series B**

## INTRODUCTION

This Official Statement, which includes the cover page, inside cover page, and appendices hereto, is furnished by the West Contra Costa Unified School District (the "District") to provide information concerning the \$85,000,000\* aggregate principal amount of West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2012, Series A (the "Series A Bonds") and the \$40,000,000\* aggregate principal amount of West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2010, Series B (the "Series B Bonds," and together with the Series A Bonds, the "Bonds"). This Introduction is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement. A full review of the entire Official Statement should be made.

The offering of the Bonds to potential investors is made only by means of the entire Official Statement. This Official Statement is not to be construed as a contract or agreement of the District with the Underwriters or the owners of any of the Bonds.

This Official Statement makes reference to resolutions, other documents and statutes and constitutional provisions of the State of California. Such references do not purport to be complete, comprehensive or definitive, and are qualified in their entirety by reference to each such resolution, document statutes and constitutional provisions.

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. Except as required by the Continuing Disclosure Certificate of the District relating to the Bonds, the District has no obligation to update the information in this Official Statement. See "CONTINUING DISCLOSURE" and "APPENDIX D—FORM OF CONTINUING DISCLOSURE CERTIFICATE."

### **Authority for Issuance**

**The Bonds.** The Bonds are being issued pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code commencing with Section 53506 (the "Act") and pursuant to two resolutions, for each respective Series of the Bonds, of the Board of Education of the District adopted on September 25, 2013 (the "Resolution").

At an election held on November 6, 2012, the District submitted for voter approval a bond measure to authorize the District to issue up to \$360 million of general obligation bonds. The measure was approved by 64.4% of the eligible voters in the District (the "2012 Authorization"). The Series A Bonds represent the first series of bonds issued under the 2012 Authorization. Following the issuance of the Series A Bonds, the District will have \$275\* million remaining authorized and unissued bonds under the 2012 Authorization.

At an election held on June 8, 2010, the District submitted for voter approval a bond measure to authorize the District to issue up to \$380 million of general obligation bonds. The measure was approved by 62.6% of the eligible voters in the District (the "2010 Authorization"). The Series B Bonds represent the third

\* Preliminary, subject to change.

series of bonds issued under the 2010 Authorization. Following the issuance of the Series B Bonds, the District will have \$240\* million remaining authorized and unissued bonds under the 2010 Authorization.

The Bonds were authorized by the voters of the District pursuant to the Constitution of the State of California (the "State") affected by Proposition 39, the Constitutional initiative passed by voters statewide on November 7, 2000, permitting approval of certain general obligation bonds of school and community college districts by a minimum 55% approving vote. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATION – PROPOSITION 39" herein. Proposition 39 requires the District to establish a citizens' bond oversight committee (the "Committee") that is responsible for reviewing the expenditure of all of the District's outstanding general obligation bond proceeds issued, including bonds issued under the 2012 Authorization and the 2010 Authorization, respectively. The District Board of Education has established a Committee. The Committee is required to report annually to the public by March 30 of each year regarding financial matters and performance of the District's general obligation bond program.

### **Purpose of Issue**

*The Bonds.* The 2012 Authorization and the 2010 Authorization, respectively, authorize the District to issue general obligation bonds for purposes summarized as follows: to make schools safe, complete essential health and safety repairs, qualify for State matching grants, upgrade schools for earthquake safety and handicap accessibility, remove asbestos, upgrade science labs, restrooms, vocational classrooms, technology and energy systems to reduce costs, install lighting and security systems, and acquire, repair and construct equipment, sites and facilities and to pay costs of issuance of the Bonds. See "THE FINANCING PLAN" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

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\* Preliminary, subject to change.

## THE BONDS

### Description of the Bonds

The Bonds will be dated the date of delivery and will be issued in denominations of \$5,000 each or any integral multiple thereof and mature on the date and in the principal amounts and bear interest at the rates per annual, all as set forth on the inside cover page of this Official Statement. Interest on the Bonds accrues from the date of delivery and is payable semiannually on February 1 and August 1 of each year (each, a “Bond Payment Date”), commencing February 1, 2014. The Bonds will bear interest from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated during the period from the 16<sup>th</sup> day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record Date (defined herein below), in which event it shall bear interest from its Dated Date. Interest will accrue on the Bonds on the basis of a 360-day year comprised of twelve 30-day months.

The Bonds will be issued in fully registered form, without coupons. The Bonds will be initially registered in the name of Cede & Co. as registered owner and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository of the Bonds. Purchasers will not receive certificates representing their interest in the Bonds purchased. Principal and interest will be paid by The Bank of New York Mellon Trust Company, N.A. (the “Paying Agent”), to DTC, which will in turn remit such principal and interest to its participants for subsequent disbursement to the Beneficial Owners of the Bonds, as applicable, as described herein. See “APPENDIX E—BOOK-ENTRY ONLY SYSTEM.”

So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the “Owners,” “Bondowners” or “Holders” of the Bonds (other than under the caption “TAX MATTERS” and in APPENDIX B) will mean Cede & Co. and will not mean the Beneficial Owners of the Bonds.

### Redemption of Bonds

**Optional Redemption of Series A Bonds.** The Series A Bonds maturing on or before August 1, 2023, are not subject to redemption prior to their respective maturity dates. The Series A Bonds maturing on or after August 1, 2024, may be redeemed before maturity at the option of the District from any source of available funds on any date on or after August 1, 2023, as a whole, or in part, by lot, from such maturities as are selected by the District. The Series A Bonds will be deemed to consist of \$5,000 portions, and any such portion may be separately redeemed. The Series A Bonds redeemed prior to maturity, if any, will be redeemed at the principal amount thereof together with accrued interest to date of redemption, without premium.

**Optional Redemption of Series B Bonds.** The Series B Bonds maturing on or before August 1, 2023, are not subject to redemption prior to their respective maturity dates. The Series B Bonds maturing on or after August 1, 2024, may be redeemed before maturity at the option of the District from any source of available funds on any date on or after August 1, 2023, as a whole, or in part, by lot, from such maturities as are selected by the District. The Series B Bonds will be deemed to consist of \$5,000 portions, and any such portion may be separately redeemed. The Series B Bonds redeemed prior to maturity, if any, will be redeemed at the principal amount thereof together with accrued interest to date of redemption, without premium.

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**Mandatory Sinking Fund Redemption of Series A Bonds.** The Series A Term Bonds maturing on August 1, 20\_\_ are subject to mandatory sinking fund redemption on August 1 of each Mandatory Sinking Fund Redemption Date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest thereon to the date fixed for redemption, without premium:

<b>Mandatory Sinking Fund Redemption Date <u>(August 1)</u></b>	<b>Principal Amount to <u>be Redeemed</u></b>
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**Mandatory Sinking Fund Redemption of Series B Bonds.** The Series B Term Bonds maturing on August 1, 20\_\_ are subject to mandatory sinking fund redemption on August 1 of each Mandatory Sinking Fund Redemption Date and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest thereon to the date fixed for redemption, without premium:

<b>Mandatory Sinking Fund Redemption Date <u>(August 1)</u></b>	<b>Principal Amount to <u>be Redeemed</u></b>
---	---

**Selection of Bonds for Redemption.** Whenever provision is made in the Resolution for the redemption of Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Bonds for redemption as so directed and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent shall select Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof.

**Notice of Redemption of Bonds.** When redemption is authorized or required pursuant to the Resolution, the Paying Agent, upon written instruction from the District, will give notice (a "Redemption Notice") of the redemption of Bonds. The Redemption Notice will specify the Bonds or designated portions thereof (in the case of redemption of Bonds in part but not in whole) to be redeemed, the date of redemption, the place or places where the redemption will be made, including the name and address of the Paying Agent, the redemption price, the CUSIP numbers (if any) assigned to the Bonds to be redeemed, the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the principal amount of such Bond to be redeemed, and the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed at the redemption price thereof, together with the interest accrued to the redemption date, and that from and after such date, interest with respect thereto shall cease to accrue.

The Redemption Notice will be given to the Registered Owners, the Securities Depositories (as defined in the Resolution), and to the Information Services (as defined in the Resolution) by the Paying Agent at least 20 but not more than 45 days prior to the redemption date in the manner provided in the Resolution. Neither failure

to receive nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds.

***Partial Redemption of Bonds.*** Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in transfer amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

***Rescission of Notice of Redemption.*** With respect to any notice of redemption of Bonds (or portions thereof) as described above, unless upon the giving of such notice such Bonds shall be deemed to have been defeased as described in "Defeasance of Bonds" herein, such notice will state that such redemption will be conditional upon the receipt by an independent escrow agent selected by the District on or prior to the date fixed for such redemption of the moneys necessary and sufficient to pay the principal of, and premium, if any, and interest on, such Bonds to be redeemed, and that, if such moneys shall not have been so received, said notice shall be of no force and effect, the Bonds shall not be subject to redemption on such date and the Bonds shall not be required to be redeemed on such date. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption will not be made and the Paying Agent will within a reasonable time thereafter give notice, to the persons to whom and in the manner in which the notice of redemption was given, that such moneys were not so received. Notwithstanding the foregoing, the District will also have the right to rescind any notice of redemption by written notice to the Paying Agent on or prior to the date fixed for redemption, and the Paying Agent will distribute notice of such rescission in the same manner that such redemption notice was originally provided.

***Effect of Notice of Redemption for Bonds.*** Notice having been given in the manner described above and in compliance with the provisions of the Resolution, and the monies for the redemption (including the interest to the applicable date of redemption) having been set aside as described in "Defeasance of Bonds" herein for such purpose, the Bonds to be redeemed shall become due and payable on such date of redemption. If on such redemption date, money for the redemption of all the Bonds to be redeemed, together with interest accrued to such redemption date, are held by the Paying Agent so as to be available therefor on such redemption date, then from and after such redemption date, interest with respect to the Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Bonds will be held in trust for the account of the Owners of Bonds to be so redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of the Resolution will be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Bond purchased by the District will be cancelled by the Paying Agent.

***Bonds No Longer Outstanding.*** When any Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of the Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys are held by the Paying Agent irrevocably in trust for the payment of the redemption price of such Bonds or portions thereof, and, accrued interest with respect thereto to the date fixed for redemption, all as provided in the Resolution, then such Bonds will no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

### **Defeasance of Bonds**

All or a portion of the outstanding maturities of the Bonds may be defeased prior to maturity in the following ways:

(1) by irrevocably depositing with an independent escrow agent selected by the District an amount of cash which together with amounts transferred from the Debt Service Fund is sufficient to pay all Bonds outstanding and designated for defeasance (including all principal and interest represented thereby and prepayment premiums, if any) at or before their maturity date; or

(2) by irrevocably depositing with an independent escrow agent selected by the District noncallable Government Obligations (as defined below), together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and moneys transferred from the Debt Service Fund together with the interest to accrue thereon, be fully sufficient to pay and discharge all Bonds outstanding and designated for defeasance (including all principal and interest represented thereby and prepayment premiums, if any) at or before their maturity date.

If a Bond is defeased as described above, then, notwithstanding that any of such Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such designated outstanding Bonds shall cease and terminate, except only the obligation of the Paying Agent or an independent escrow agent selected by the District to pay or cause to be paid from funds deposited pursuant to paragraphs (1) or (2), above, to the Owners of such designated Bonds not so surrendered and paid all sums due with respect thereto.

As used in this section, "Government Obligations" have the meaning given below:

Government Obligations means: Direct and general obligations of the United States of America, or obligations that are unconditionally guaranteed as to principal and interest by the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute interest strips), or "prerefunded" municipal obligations rated in the highest rating category by Moody's Investors Service or Standard & Poor's. In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed at least as high as direct and general obligations of the United States of America by either Standard & Poor's or Moody's Investors Service.

## THE FINANCING PLAN

**The Series A Bonds.** The District expects to use a portion of the net proceeds from the sale of the Series A Bonds, which constitutes the first issuance of bonds authorized pursuant to the 2012 Authorization to finance the projects set forth under the caption "INTRODUCTION – Purpose of Issue – Series A Bonds" herein. Such proceeds shall be deposited in the County treasury to the credit of the West Contra Costa Unified School District General Obligation Bonds, Election of 2012, Series A Building Fund (the "Series A Building Fund"). Interest earnings on moneys held in the Series A Building Fund shall be retained in the Series A Building Fund. Any accrued interest and any net original issue premium received by the District from the sale of the Series A Bonds shall be deposited in the West Contra Costa Unified School District General Obligation Bonds, Election of 2012, Series A Debt Service Fund (the "Series A Debt Service Fund") which is used only for payment of principal of and interest on the Series A Bonds. Interest earnings on moneys held in the Series A Debt Service Fund shall be retained in the Series A Debt Service Fund.

Any surplus moneys in the Series A Building Fund, not needed for the purposes authorized by the 2012 Authorization shall be transferred to the Series A Debt Service Fund and used only for payment of principal of and interest on the Series A Bonds. If, after payment in full of the Series A Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District.

**The Series B Bonds.** The District expects to use a portion of the net proceeds from the sale of the Series B Bonds, which constitutes the third issuance of bonds authorized pursuant to the 2010 Authorization to finance the projects set forth under the caption "INTRODUCTION – Purpose of Issue – Series B Bonds" herein. Such proceeds shall be deposited in the County treasury to the credit of the West Contra Costa Unified School District General Obligation Bonds, Election of 2010, Series B Building Fund (the "Series B Building Fund"). Interest earnings on moneys held in the Series B Building Fund shall be retained in the Series B Building Fund.



Any accrued interest and any net original issue premium received by the District from the sale of the Series B Bonds shall be deposited in the West Contra Costa Unified School District General Obligation Bonds, Election of 2010, Series B Debt Service Fund (the "Series B Debt Service Fund") which is used only for payment of principal of and interest on the Series B Bonds. Interest earnings on moneys held in the Series B Debt Service Fund shall be retained in the Series B Debt Service Fund.

Any surplus moneys in the Series B Building Fund, not needed for the purposes authorized by the Series B Authorization shall be transferred to the Series B Debt Service Fund and used only for payment of principal of and interest on the Series B Bonds. If, after payment in full of the Series B Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District.

### **ESTIMATED SOURCES AND USES OF FUNDS**

The estimated sources and uses of the funds with respect to the Bonds are as follows:

<u>Sources of Funds</u>	<u>Series A</u>	<u>Series B</u>	<u>Total</u>
Aggregate Principal Amount	\$	\$	\$
Net Original Issue Premium			
Other Sources of Funds			
Total Sources:			
<u>Uses of Funds</u>			
Building Fund			
Debt Service Fund			
Underwriters' Discount			
Costs of Issuance <sup>(1)</sup>			
Total Uses:			

<sup>(1)</sup> Includes the fees of the Financial Advisor, Bond Counsel, Disclosure Counsel, Paying Agent, the rating agency fees, the bond insurance premium, if any, the printing costs and other miscellaneous fees and expenses.

### **COUNTY INVESTMENT POOL**

**General.** In accordance with Education Code section 41001, each school district in the State maintains substantially all of its operating funds in the county treasury of the county in which it is located. Each county treasurer serves as *ex officio* treasurer for those school districts under jurisdiction of the County Superintendent of Schools of the county. Each county treasurer has the authority to implement and oversee the investment of school district funds held in the county treasury. Generally, the county treasurer pools county funds with school district funds and funds from certain other public agencies and invests the cash. These pooled funds are carried at cost. Interest earnings are accounted for on either a cash or accrual basis and apportioned to pool participants on a regular basis.

Each county is required to invest funds, including those pooled funds described above, in accordance with Government Code Section 53601 *et seq.* In addition, each county is required to establish its own investment policies, which may provide further limitations beyond those required by the Government Code.

See "APPENDIX G—COUNTY INVESTMENT POLICY AND EXCERPTS FROM TREASURER'S QUARTERLY INVESTMENT REPORT AS OF JUNE 30, 2013" for a discussion of the County Pool, valuation procedures, and investment policies.

### **Investment of Bond Proceeds**

The proceeds of the *ad valorem* property taxes levied to repay the Bonds and moneys held in the Series A Debt Service Fund and the Series B Debt Service Fund, respectively, may be invested in any investment permitted by law. It is anticipated that the *ad valorem* tax proceeds and moneys in the Series A Debt Service Fund and the Series B Debt Service Fund, respectively, will be invested in the County Investment Pool, although the District could provide instructions to invest in other lawful investments. See “APPENDIX G—COUNTY INVESTMENT POLICY AND EXCERPTS FROM TREASURER’S QUARTERLY INVESTMENT REPORT AS OF JUNE 30, 2013.”

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## DEBT SERVICE SCHEDULES

*Series A Bonds Debt Service.* The following table shows the semi-annual debt service schedule with respect to the Series A Bonds (assuming no optional redemptions).

### WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT DEBT SERVICE SCHEDULE ELECTION OF 2012, SERIES A

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Annual Total</u>
2/1/2014				
8/1/2014				
2/1/2015				
8/1/2015				
2/1/2016				
8/1/2016				
2/1/2017				
8/1/2017				
2/1/2018				
8/1/2018				
2/1/2019				
8/1/2019				
2/1/2020				
8/1/2020				
2/1/2021				
8/1/2021				
2/1/2022				
8/1/2022				
2/1/2023				
8/1/2023				
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8/1/2042				
2/1/2043				
8/1/2043				

**Series B Bonds Debt Service.** The following table shows the semi-annual debt service schedule with respect to the Series B Bonds (assuming no optional redemptions).

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
DEBT SERVICE SCHEDULE  
ELECTION OF 2010, SERIES B**

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Annual Total</u>
2/1/2014				
8/1/2014				
2/1/2015				
8/1/2015				
2/1/2016				
8/1/2016				
2/1/2017				
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2/1/2018				
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2/1/2041				
8/1/2041				
2/1/2042				
8/1/2042				
2/1/2043				
8/1/2043				

**Combined Annual Debt Service.** The following table shows the combined debt service schedule with respect to all outstanding general obligation bonds issued by the District, together with the Series A Bonds and the Series B Bonds. See “APPENDIX A—DISTRICT FINANCIAL AND OPERATING INFORMATION - District Debt Structure.”

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
COMBINED ANNUAL DEBT SERVICE SCHEDULE  
As of October 1, 2013**

<u>Year Ending (August 1)</u>	<u>1998 Authorization</u>	<u>2000<sup>(1)</sup> Authorization</u>	<u>2002 Authorization</u>	<u>2005<sup>(2)</sup> Authorization</u>	<u>2010<sup>(1)(2) (3)</sup> Authorization</u>	<u>2012<sup>(1)</sup> Authorization</u>	<u>Total Annual Debt Service</u>
2014	\$2,939,467.50	\$12,674,350.00	\$16,455,247.50	\$17,933,691.26	\$ 4,773,400.00		
2015	2,940,867.50	14,010,150.00	17,142,722.50	19,155,291.26	4,773,400.00		
2016	2,939,942.50	14,673,550.00	17,869,422.50	20,496,266.26	4,773,400.00		
2017	2,941,287.50	15,228,212.50	19,120,137.50	21,925,953.76	4,773,400.00		
2018	2,945,323.75	6,282,462.50	20,129,675.00	23,477,853.76	4,773,400.00		
2019	2,941,912.50	6,248,212.50	20,431,937.50	25,146,953.76	4,773,400.00		
2020	2,950,107.50	6,212,962.50	21,160,137.50	26,954,013.76	5,018,400.00		
2021	2,949,052.50	6,176,462.50	22,186,137.50	28,904,213.76	5,006,150.00		
2022	2,953,852.50	6,153,462.50	23,415,425.00	30,940,463.76	5,108,900.00		
2023	2,949,832.50	6,128,937.50	24,112,162.50	31,606,389.76	5,100,900.00		
2024	1,533,275.00	6,110,750.00	25,210,725.00	32,214,506.50	5,097,400.00		
2025	743,575.00	6,093,000.00	26,361,500.00	33,637,257.50	5,203,150.00		
2026	--	6,081,250.00	27,566,000.00	35,080,457.50	5,207,112.50		
2027	--	6,069,750.00	28,832,750.00	36,585,820.00	5,319,375.00		
2028	--	6,058,000.00	30,176,000.00	38,160,582.50	5,320,062.50		
2029	--	6,050,500.00	31,589,750.00	39,809,232.50	5,328,312.50		
2030	--	6,041,500.00	33,078,000.00	41,529,907.50	26,444,200.00		
2031	--	6,035,500.00	34,644,000.00	43,328,670.00	6,794,450.00		
2032	--	6,021,750.00	35,697,000.00	45,206,995.00	6,929,925.00		
2033	--	--	35,570,500.00	47,173,495.00	7,068,337.50		
2034	--	--	37,403,500.00	48,608,980.00	7,208,637.50		
2035	--	--	--	28,575,875.00	7,354,775.00		
2036	--	--	--	29,860,000.00	7,500,437.50		
2037	--	--	--	--	7,648,362.50		
2038	--	--	--	--	7,804,012.50		
2039	--	--	--	--	7,960,825.00		
2040	--	--	--	--	8,117,500.00		
2041	--	--	--	--	8,277,737.50		
<b>Total</b>	<b>\$31,728,496.25</b>	<b>\$143,503,262.50</b>	<b>\$543,123,130.00</b>	<b>\$746,312,870.10</b>	<b>\$189,459,362.50</b>		

- <sup>(1)</sup> After the issuance of the Bonds, the annual debt service for general obligation bonds issued and outstanding under the 2012 Authorization and the 2010 Authorization will be adjusted to reflect the issuance of the Bonds.
- <sup>(2)</sup> The District anticipates receiving federal subsidy payments in connection with certain bonds issued under the 2005 Authorization and the 2010 Authorization. The annual debt service shown above is not adjusted for these anticipated federal subsidy payments.
- <sup>(3)</sup> The District has committed to make mandatory sinking fund payments to the Series A-1 Bonds Sinking Fund held by the County and pledged for the payment of principal of the Series A-1 Bonds when due. The annual debt service set forth above has not been adjusted for these mandatory sinking fund payments.

## SECURITY FOR THE BONDS

### General

**Ad Valorem Taxes.** The Bonds are general obligations of the District only and are not obligation of the County, the State, or any of its other political subdivisions. The Bonds are payable solely from *ad valorem* taxes levied on taxable property within the District. The Board of Supervisors of the County, on behalf of the District, is empowered and obligated to levy and collect *ad valorem* taxes, without limitation as to rate or amount, in an amount sufficient to pay the principal of and interest on the Bonds due and payable in the next succeeding bond year upon all property subject to taxation by the District (except certain personal property which is taxable at limited rates). The *ad valorem* taxes levied and collected for debt service on the Bonds are deposited into the Series A Debt Service Fund and the Series B Debt Service Fund, as the case may be, maintained by the County Treasurer. See "TAX BASE FOR REPAYMENT OF THE BONDS" herein and "SECURITY FOR THE BONDS—Payment of Principal and Interest on the Bonds" for a description of the manner in which such payments will be made.

The District has previously issued other general obligation bonds (the "Prior General Obligation Bonds"), which are payable from the *ad valorem* taxes on a parity basis. See "THE BONDS – DEBT SERVICE SCHEDULES – Combined Annual Debt Service." In addition to the general obligation bonds issued by the District, there is other debt issued by entities with taxing power in the District, which is payable from *ad valorem* taxes levied on parcels in the District. See "APPENDIX A – DISTRICT FINANCIAL AND OPERATING INFORMATION – DISTRICT FINANCIAL INFORMATION – Statement of Direct and Overlapping Debt."

**Annual Tax Rates.** The amount of annual *ad valorem* taxes levied by the County to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds. Fluctuations in the annual debt service on the Bonds and the Prior General Obligation Bonds and the assessed value of taxable property in the District may cause the annual tax rate applicable to the Bonds to fluctuate.

Economic and other factors beyond the District's control could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate. These factors include economic recession, deflation of land values, a relocation out of the District of financial difficulty or bankruptcy by one or more major property tax payer, or the complete or partial destruction of taxable property caused by, among other eventualities, such as earthquake, flood, fire or toxic contamination.

**THE BONDS ARE GENERAL OBLIGATION BONDS OF THE DISTRICT AND DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY. NO PART OF ANY FUND OF THE COUNTY IS PLEDGED OR OBLIGATED TO THE PAYMENT OF THE BONDS.**

### Payment of Principal of and Interest on the Bonds

Payments of principal and interest shall be made from the funds on deposit in the respective Debt Service Funds. Interest on the Bonds is payable semiannually on a Bond Payment Date, commencing on February 1, 2014, to maturity or prior redemption thereof. The interest on the Bonds shall be payable in lawful money of the United States of America. Payment of interest on any Bond Payment Date shall be made to the person appearing on the registration books of the Paying Agent as the Owner thereof (an "Owner" or "Bond Owner") as of the close of business on the 15<sup>th</sup> day of the calendar month next preceding that Bond Payment Date (the "Record Date"), such interest to be paid by wire transfer or check mailed to such Owner on the Bond Payment Date at his address as it appears on such registration books or at such other address as he may have filed with the Paying Agent for that purpose on or before the Record Date. The Owner in an aggregate principal amount of One Million Dollars (\$1,000,000) or more may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

Principal on the Bonds is payable on August 1 in each of the years and in the amounts shown in the Maturity Schedule, on the inside front cover. The principal, and redemption premiums, if any, payable on the

Bonds shall be payable in lawful money of the United States of America upon maturity or redemption upon surrender at the designated office of the Paying Agent. The Paying Agent is authorized to pay the Bonds when duly presented for payment at maturity or early redemption, and to cancel all Bonds upon payment thereof.

## **BOND INSURANCE**

The District may apply for a policy of municipal bond insurance with respect to the Bonds. If municipal bond insurance is purchased, the scheduled payment of principal and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds.

## **TAX BASE FOR REPAYMENT OF THE BONDS**

The information in this section describes *ad valorem* property taxation, assessed valuation, and other measures of the tax base of the District. The Bonds are general obligations of the District payable solely from *ad valorem* taxes levied on taxable property within the District. The District's General Fund is not a source for the repayment of the Bonds.

### ***Ad Valorem Property Taxation***

The County will levy and collect *ad valorem* taxes on all taxable parcels within the District which are pledged specifically to the repayment of the Bonds and the Prior General Obligation Bonds. The general *ad valorem* property tax levy levied in accordance with Article XIII A of the California Constitution ("Article XIII A") and its implementing legislation is a source of funding to operate the District's educational program. As described below, the general *ad valorem* property tax levy and the additional *ad valorem* property tax levy pledged to repay the Bonds and the Prior General Obligation Bonds will be collected through annual tax bills distributed by the County to the owners of parcels within the boundaries of the District.

***Method of Property Taxation.*** Beginning in fiscal year 1978-79, Article XIII A and its implementing legislation permitted each county to levy and collect all property taxes (except for levies to support prior voter approved indebtedness) and prescribed how levies on county-wide property values were to be shared with local taxing entities within each county. All property is assessed using full cash value as defined by Article XIII A. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS—Article XIII A of the State Constitution." State law, however, provides exemptions from *ad valorem* property taxation for certain classes of property such as churches, colleges, non-profit hospitals, and charitable institutions.

Future assessed valuation growth allowed under Article XIII A (new construction, certain changes of ownership, up to 2% inflation) will be allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and schools will share the growth of "base" sources from the tax rate area. Each year's growth allocation becomes part of each agency's allocation in the following year. State law exempts \$7,000 of the assessed valuation of an owner-occupied principal residence. This exemption does not result in any loss of revenue to local agencies since an amount equivalent to the taxes that would have been payable on such exempt values is made up by the State.

Taxes are levied for each fiscal year on taxable real and personal property which is situated in a county as of the preceding January 1. Real property which changes ownership or is newly constructed is revalued at the time the change in ownership occurs or the new construction is completed. The current year property tax rate will be applied to the reassessment, and the taxes will then be adjusted by a proration factor to reflect the portion of the remaining tax year for which taxes are due.

For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State-assessed property and real property having a tax lien which is sufficient, in the opinion of the county assessor, to secure payment of the taxes. Unsecured property comprises all property not attached to land such as personal property or business property. Unsecured property is assessed on the "unsecured roll."

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year, and if unpaid become delinquent on December 10 and April 10, respectively. A penalty of 10% attaches immediately to all delinquent payments. Property on the secured roll with respect to which taxes are delinquent becomes tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of a penalty of 1.5% per month to the time of redemption, plus costs and a redemption fee. If taxes are unpaid for a period of five years or more, the property is subject to sale by the Treasurer-Tax Collector of the county levying the tax.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent, if unpaid, on August 31. A 10 percent penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid at 5 p.m. on October 31, an additional penalty of 1.5 percent attaches to them on the first day of each month until paid. A county has four ways of collecting delinquent unsecured personal property taxes: (1) bringing a civil action against the taxpayer; (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the county recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizing and selling personal property improvements or possessory interests belonging or assessed to the delinquent taxpayer.

**Appeals of Assessed Value; Proposition 8 Reductions.** A property owner may appeal a County Assessor's determination of assessed value based on Proposition 8, passed by the voters in November 1978 ("Proposition 8"), or based on a challenge to the base year value.

Proposition 8 requires that for each January 1 lien date, the taxable value of real property must be the lesser of its base year value, annually adjusted by the inflation factor pursuant to Article XIII A of the State Constitution, or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value. Property owners may apply for a Proposition 8 reduction of their property tax assessment with the County board of equalization or assessment appeals board. In most cases, an appeal is based on the property owner's belief that market conditions cause the property to be worth less than its current assessed value. Proposition 8 reductions may also be unilaterally applied by the County Assessor.

Any reduction in the assessed value granted as a result of a Proposition 8 appeal, or unilateral reassessment by the County Assessor, applies to the year for which the application or reassessment is made. These reductions are subject to annual review and the assessed values are adjusted back to the original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it becomes subject to the annual inflationary factor growth rate allowed under Article XIII A.

Appeals for reduction in the base year value of an assessment, if successful, reduce the assessment for the year in which the appeal is made and thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of change of ownership or new construction date.

The District cannot predict the changes in assessed values that might result from pending or future appeals by taxpayers. Any reduction in aggregate assessed valuation of property within the District due to appeals, as with any reduction in assessed valuation due to other causes, will result in an increase of the tax rate levied upon all property subject to taxation within the District for the payment of principal of and interest on the Bonds, when due.

**District Assessed Valuation.** Both the general *ad valorem* property tax levy and the additional *ad valorem* levy for payment of debt service on District general obligation bonds, including the Bonds and the Prior General Obligation Bonds, are based upon the assessed valuation of taxable property in the District. Property taxes allocated to the District are collected by the County at the same time and on the same tax rolls as are county, city and special district taxes. The assessed valuation of each parcel of property is the same for both District and county taxing purposes. The valuation of secured property by the County is established as of January 1, and is subsequently equalized in September of each year.



The base values of property within the District could be reduced due to factors beyond the District's control, including general market decline in real property values, reclassification of property to a class exempt from taxation, whether by ownership or use, or the complete or partial destruction of taxable property caused by a natural or manmade disaster (such as earthquake, flood, fire, acts of terrorism or toxic contamination). The District is located in a seismically active region that includes at least two active earthquake faults, the Hayward and Calaveras Faults. Both of those faults are branches of the San Andreas Fault underlying the City and County of San Francisco and most of the State. Although no significant earthquake activity has occurred in the region within the last 20 years, an earthquake of large magnitude could result in extensive damage to property within the District and could adversely affect the region's economy.

***Taxation of State-Assessed Utility Property.*** A portion of the property tax revenue of the District is derived from utility property subject to assessment by the State Board of Equalization ("SBE"), including railroads, telephone and telegraph companies, and companies transmitting or selling gas or electricity. State-assessed property, or "unitary property," is property of a utility system with components located in many taxing jurisdictions that are assessed as part of a "going concern" rather than as individual pieces of real or personal property. The assessed value of unitary and certain other state-assessed property is allocated to the counties by the SBE, taxed at special county-wide rates, and the tax revenues distributed to taxing jurisdictions (including the District) according to statutory formulae generally based on the distribution of taxes in the prior year. In general, if any unitary property is transferred or converted to a non-utility use, due to reorganization or sale or other change, such transfer would increase the assessed valuation within the District since the property would be taxed locally. The transfer or conversion of property located within the District to a utility use would have the opposite effect. The District is not able to predict any future transfers of State-assessed property or its impact on the District's utility tax revenues, or whether future legislation or litigation may affect unitary property, or the method by which the SBE currently assesses or allocates such revenues.

#### **Historic Assessed Valuations**

*The information provided in Tables 1 through 8 below has been provided by California Municipal Statistics, Inc. The District has not independently verified this information and does not guarantee its accuracy.*

The assessed valuation of property in the District is established by the County Assessor, except for public utility property which is assessed by the SBE as described above. Assessed valuations are reported at 100% of the "full value" of the property, as defined in Article XIII A of the California Constitution. For a discussion of how properties are assessed see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS."

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Certain classes of property, such as churches, colleges, not-for-profit hospitals, governmental entities and charitable intuitions, are exempt from property taxation and do not appear on the tax rolls. No reimbursement is made by the State for such exemptions.

The following table sets forth a 10-year history of the assessed value in the District.

**TABLE 1**  
**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT**  
**ASSESSED VALUATION FISCAL YEARS 2004-05 THROUGH 2013-14<sup>(1)</sup>**

<u>Fiscal Year</u>	<u>Local Secured</u>	<u>Utility<sup>(2)</sup></u>	<u>Unsecured</u>	<u>Total</u>	<u>Annual % Change<sup>(3)</sup></u>
2004-05	\$18,694,802,748	\$34,877,710	\$942,323,175	\$19,672,003,633	--
2005-06	20,898,373,912	35,233,047	937,524,349	21,871,131,308	11.18%
2006-07	23,394,796,810	32,996,057	996,599,562	24,424,392,429	11.67
2007-08	25,972,526,364	12,872,037	986,267,215	26,971,665,616	10.43
2008-09	25,968,908,280	12,850,519	1,080,701,277	27,062,460,076	0.30
2009-10	22,527,198,702	12,079,880	1,206,474,766	23,745,753,348	(12.30)
2010-11	20,862,423,058	12,710,612	1,052,023,491	21,927,157,161	(7.70)
2011-12	20,967,316,009	10,792,683	1,192,454,380	22,170,563,072	1.10
2012-13	22,393,219,395	10,751,749	1,228,955,895	23,632,927,039	6.20
2013-14	21,027,153,899	10,668,095	1,187,310,326	22,225,132,320	(6.00) <sup>(4)</sup>

<sup>(1)</sup> Total assessed value includes the homeowner exemption which is reimbursed by the State. The table does not include unitary property valuation.

<sup>(2)</sup> Includes property owned by each utility within the District. Periodically, certain parcels may be reclassified from utility to local secured or unsecured causing revenue associated with such parcels to be reallocated. The most recent reclassification, effective fiscal year 2011-12 reallocated approximately \$2,000,000 dollars from utility assessments to unsecured assessments.

<sup>(3)</sup> Pursuant to Proposition 8, commencing in 2008-09, the County Assessor temporarily reduced the assessed value of a number of parcels throughout the County. Taxpayers are also entitled to seek a reduction in assessed valuations by way of the appeals process.

<sup>(4)</sup> In August 2012, Chevron USA Inc., the largest taxpayer in the District, experienced a fire at its City of Richmond campus. The assessed valuation of the Chevron properties decreased by \$1,114,586,753 from 2012-13 to 2013-14 due to a decrease in revenues resulting from the closure of a portion of the Chevron facilities from August 2012 to April 2013.

Source: California Municipal Statistics, Inc.

Pursuant to Proposition 8, commencing in tax year 2008-09, the County Assessor temporarily reduced base values of properties within the County. The most significant base value reductions, by percentage of value, occurred in 2008-09 through 2010-11. Under Proposition 8, any reduction in the assessed value granted as a result of either (i) a Proposition 8 appeal, or (ii) a discretionary reassessment by the County Assessor, applies only to the year for which the application or reassessment is made. The reductions are subject to annual review and the assessed values are adjusted back to the original values when market conditions improve. Once adjusted back, the values become subject to the annual inflationary factor growth rate allowed by law. See also "TAX BASE FOR REPAYMENT OF THE BONDS-Ad Valorem Property Taxation—Appeals of Assessed Value; Proposition 8 Reductions."

### **Tax Levies, Collections and Delinquencies**

A 10% penalty attaches to any delinquent payment for secured roll taxes. In addition, property on the secured roll for which taxes are delinquent becomes tax-defaulted. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus a redemption penalty to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to auction sale by the Treasurer. Collection efforts against a taxpayer who has sought protection from creditors in United States Bankruptcy Court, or against secured property the value of which has been compromised by environmental contamination or natural disaster, may be fruitless to recover unpaid taxes due with respect to such property.

In the case of unsecured property taxes, a 10% penalty attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of 1.5% per month begins to accrue beginning November 1<sup>st</sup> of the fiscal year, and a lien is recorded against the assessee. The taxing authority has four ways of collecting unsecured personal property taxes: (a) filing a civil action against the taxpayer; (b) filing a bond in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on specific property of the taxpayer;

(c) filing a bond of delinquency for record in the County Recorder's office in order to obtain a lien on specified property of the taxpayer; and (d) seizing and selling personal property, improvements or possessory interests belonging or assessed to the taxpayer.

**Teeter Plan and Tax Losses Reserve Fund.** The County has adopted the Teeter Plan, as provided for in Section 4701 *et seq.* of the State Revenue and Taxation Code and has created a tax losses reserve fund. Under the Teeter Plan, each participating local agency, including school districts, levying property taxes in the County receives the amount of uncollected taxes credited to its fund, in the same manner as if the amount credited had been collected. In return, the County receives and retains delinquent payments, penalties and interest as collected that would have been due the local agency. The County applies the Teeter Plan to taxes levied for the repayment of school district general obligation bonds.

The Teeter Plan is to remain in effect unless the County Board of Supervisors orders its discontinuance or unless, prior to the commencement of any fiscal year of the County (which commences on July 1) the Board of Supervisors receives a petition for its discontinuance from two-thirds of the participating revenue districts in the County. The Board of Supervisors may also, after holding a public hearing on the matter, discontinue the procedures under the Teeter Plan with respect to any tax levying agency in the County if delinquencies within that agency's area exceed 3% in any tax year. Although delinquencies in the District exceeded 3% in fiscal years 2008-09 and 2009-10 the County did not order discontinuance of the Teeter Plan and the Teeter Plan is in effect as of the date of this Official Statement.

The following table shows a five-year history of secured tax changes and delinquencies in the District.

**TABLE 2  
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
SECURED TAX CHARGES AND DELINQUENCIES<sup>(1)</sup>**

<u>Fiscal Year</u>	<u>Secured Tax Charge</u>	<u>Amount Delinquent as of June 30</u>	<u>Percent Delinquent June 30</u>
2008-09	\$26,534,360.10	\$1,663,455.48	6.27%
2009-10	40,349,223.42	1,282,023.52	3.18
2010-11	38,278,694.81	845,259.12	2.21
2011-12	52,145,455.57	998,029.43	1.91
2012-13	45,816,426.38	670,588.03	1.46

<sup>(1)</sup> The history of tax collections and delinquencies is available only with respect to the District's general obligation bond debt service tax levy. Source: California Municipal Statistics, Inc.

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**Tax Rates**

The State Constitution permits the levy of an *ad valorem* tax not to exceed 1% of the full cash value of taxable property, and State law requires the full 1% tax to be levied. The levy of special *ad valorem* taxes in excess of the 1% levy is permitted as necessary to provide for the debt service payments on school bonds and other voter-approved indebtedness. The tax rate necessary to pay debt service on the Bonds and the Prior General Obligation Bonds in any given year depends on the assessed value of property in that year. For taxing purposes, the State Board of Equalization divided the area served by the District into tax rate areas (“TRA”). The largest TRA in the District is TRA 8-001. Table 3 summarizes components of the property tax rate in TRA 8-001 from fiscal year 2008-09 to fiscal year 2012-13.

**TABLE 3  
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
LARGEST COMPONENT PARTS OF TRA 8-001<sup>(1)</sup>  
(Percentage of Assessed Valuation)**

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
General - Countywide	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
City of Richmond	.1400	.1400	.1400	.1400	.1400
Bay Area Rapid Transit District	.0090	.0057	.0031	.0041	.0043
East Bay Regional Park	.0100	.0108	.0084	.0071	.0051
West Contra Costa Unified School District	.1230	.1828	.1869	.2322	.2157
Contra Costa Community College District	<u>.0066</u>	<u>.0126</u>	<u>.0133</u>	<u>.0144</u>	<u>.0087</u>
<b>Total</b>	<b>1.2886%</b>	<b>1.3519%</b>	<b>1.3517%</b>	<b>1.3978%</b>	<b>1.3738%</b>

<sup>(1)</sup> The 2012-13 assessed valuation of TRA 8-001 is \$7,023,818,091.  
Source: California Municipal Statistics, Inc.

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## Assessed Valuation By Land Use

The following table reflects the 2013-14 assessed valuation and parcels by land use within the District.

**TABLE 4**  
**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT**  
**2013-14 ASSESSED VALUATION AND PARCELS BY LAND USE**

	<b>2013-14</b>	<b>% of</b>	<b>No. of</b>	<b>% of</b>
	<b>Assessed Valuation<sup>(1)</sup></b>	<b>Total</b>	<b>Parcels</b>	<b>Total</b>
<b>Non-Residential:</b>				
Commercial	\$1,408,565,104	6.70%	1,423	1.84%
Vacant Commercial	36,661,462	0.17	276	0.36
Professional/Office	240,829,749	1.15	351	0.45
Industrial	4,100,381,553	19.50	698	0.90
Vacant Industrial	99,125,863	0.47	360	0.46
Recreational	24,205,687	0.12	29	0.04
Government/Social/Institutional	86,451,128	0.41	1,351	1.74
Other Vacant	19,730,166	0.09	1,092	1.41
Miscellaneous	48,046,958	0.23	532	0.69
Subtotal Non-Residential	\$6,063,997,670	28.84%	6,112	7.89%
<b>Residential:</b>				
Single Family Residence	\$12,089,641,362	57.50%	56,112	72.47%
Condominium/Townhouse	1,418,104,156	6.74	9,072	11.72
2-4 Residential Units	569,300,095	2.71	3,620	4.68
5+ Residential Units/Apartments	806,027,456	3.83	796	1.03
Mobile Homes	3,486,796	0.02	118	0.15
Miscellaneous Residential	17,490,907	0.08	80	0.10
Improvements				
Vacant Residential	59,105,457	0.28	1,514	1.96
Subtotal Residential	\$14,963,156,229	71.16%	71,312	92.11%
<b>Total</b>	<b>\$21,027,153,899</b>	<b>100.00%</b>	<b>77,424</b>	<b>100.00%</b>

<sup>(1)</sup> Local Secured Assessed Valuation; excluding tax-exempt property.  
Source: California Municipal Statistics, Inc.

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**Assessed Valuation of Single-Family Homes**

The following table provides the 2013-14 assessed valuation of single family residential parcels within the District.

**TABLE 5  
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
PER PARCEL FISCAL YEAR 2013-14 ASSESSED VALUATION OF SINGLE FAMILY HOMES**

	<u>No. of Parcels</u>	<u>2013-14 Assessed Valuation</u>	<u>Average Assessed Valuation</u>	<u>Median Assessed Valuation</u>
Single Family Residential	56,122	\$12,089,641,362	\$215,417	\$183,002

<u>2013-14 Assessed Valuation</u>	<u>No. of Parcels (1)</u>	<u>% of Total</u>	<u>Cumulative % of Total</u>	<u>Total Valuation</u>	<u>% of Total</u>	<u>Cumulative % of Total</u>
\$0 - \$49,999	3,879	6.912%	6.912%	\$ 147,132,741	1.217%	1.217%
\$50,000 - \$99,999	9,920	17.676	24.588	718,675,300	5.945	7.162
\$100,000 - \$149,999	9,131	16.270	40.857	1,148,691,177	9.501	16.663
\$150,000 - \$199,999	7,513	13.387	54.244	1,308,190,118	10.821	27.484
\$200,000 - \$249,999	6,905	12.304	66.548	1,543,019,921	12.763	40.247
\$250,000 - \$299,999	5,470	9.747	76.295	1,489,904,018	12.324	52.571
\$300,000 - \$349,999	4,221	7.521	83.816	1,373,202,880	11.359	63.929
\$350,000 - \$399,999	3,311	5.900	89.715	1,235,328,175	10.218	74.147
\$400,000 - \$449,999	1,837	3.273	92.988	779,101,050	6.444	80.592
\$450,000 - \$499,999	1,155	2.058	95.047	545,761,787	4.514	85.106
\$500,000 - \$549,999	811	1.445	96.492	425,281,579	3.518	88.624
\$550,000 - \$599,999	602	1.073	97.564	344,502,745	2.850	91.473
\$600,000 - \$649,999	452	0.805	98.370	281,677,002	2.330	93.803
\$650,000 - \$699,999	296	0.527	98.897	198,972,273	1.646	95.449
\$700,000 - \$749,999	168	0.299	99.196	120,921,405	1.000	96.449
\$750,000 - \$799,999	104	0.185	99.382	80,141,247	0.663	97.112
\$800,000 - \$849,999	76	0.135	99.517	62,356,724	0.516	97.628
\$850,000 - \$899,999	70	0.125	99.642	61,007,338	0.505	98.133
\$900,000 - \$949,999	50	0.089	99.731	45,877,880	0.379	98.512
\$950,000 - \$999,999	28	0.050	99.781	27,261,551	0.225	98.737
\$1,000,000 and greater	<u>123</u>	<u>0.219</u>	100.000	<u>152,634,451</u>	<u>1.263</u>	100.000
<b>Total</b>	<b>56,122</b>	<b>100.000%</b>		<b>\$12,089,641,362</b>	<b>100.000%</b>	

<sup>(1)</sup> Improved single family residential parcels. Excludes condominiums and parcels with multiple family units.  
Source: California Municipal Statistics, Inc.

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**Assessed Value by Jurisdiction**

The following table provides the 2013-14 assessed valuation by jurisdiction.

**TABLE 6  
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
2013-14 ASSESSED VALUATION BY JURISDICTION**

<b><u>Jurisdiction:</u></b>	<b><u>Assessed Valuation in District</u></b>	<b><u>% of District</u></b>	<b><u>Assessed Valuation of Jurisdiction</u></b>	<b><u>% of Jurisdiction in District</u></b>
<b><u>Incorporated Contra Costa County:</u></b>				
City of El Cerrito	\$ 3,002,461,949	13.51%	\$ 3,002,461,949	100.00%
Town of Hercules	2,332,985,197	10.50	2,468,182,667	94.52
City of Pinole	1,759,801,754	7.92	1,759,801,754	100.00
City of Richmond	10,896,370,212	49.03	10,896,370,212	100.00
City of San Pablo	1,208,900,530	5.44	1,208,900,530	100.00
<b><u>Unincorporated Contra Costa County:</u></b>				
Kensington Community Services District	938,395,485	4.22	938,395,485	100.00
Other Unincorporated Contra Costa County	<u>2,086,217,193</u>	<u>9.39</u>	30,378,942,871	6.87
Total District	\$22,225,132,320	100.00%		
Contra Costa County	\$22,225,132,320	100.00%	\$147,071,434,253	15.11%

Source: California Municipal Statistics, Inc.

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## Largest Taxpayers in the District

The 20 largest taxpayers in the District, as shown on the 2013-14 secured tax roll, and the amounts of their assessed valuation for all taxing jurisdictions within the District, are shown below. Assessed valuation for the 20 largest taxpayers amounts to \$3,891,877,662, or approximately 18.51% of the District's total 2013-14 secured tax roll.

**TABLE 7**  
**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT**  
**LARGEST 2013-14 LOCAL SECURED TAXPAYERS**

	<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2013-14 Assessed Valuation</u>	<u>% of Total <sup>(1)</sup></u>
1.	Chevron USA Inc.	Industrial	\$2,747,070,368	13.06%
2.	Guardian & KW Hilltop LLC	Apartments	146,283,395	0.70
3.	Bio-Rad Laboratories Inc.	Industrial	143,169,379	0.68
4.	MCD-RCCA-El Cerrito LLC	Shopping Center	88,710,044	0.42
5.	Lennar Emerald Marina Bay LLC	Residential Development	82,848,000	0.39
6.	Richmond Essex LP	Apartments	72,582,908	0.35
7.	Richmond Associates LLC	Shopping Center	67,052,154	0.32
8.	Kaiser Foundation Health Plan	Medical Building	61,865,053	0.29
9.	TKG Pinole LLC	Shopping Center	61,678,435	0.29
10.	Safeway Inc.	Shopping Center	52,239,688	0.25
11.	DDRM Hilltop Plaza LP	Shopping Center	41,747,500	0.20
12.	Dicon Fiberoptics Inc.	Industrial	40,640,233	0.19
13.	Ford Point LLC	Industrial	38,824,752	0.18
14.	Richmond Tides Owners LLC	Apartments	37,740,000	0.18
15.	BP West Coast Products	Industrial	37,467,245	0.18
16.	California Fats & Oils Inc.	Industrial	34,960,960	0.17
17.	Village at Town Center LLC	Apartments	34,949,475	0.17
18.	Point Richmond R&D Associates II LLC	Industrial	34,216,473	0.16
19.	IIT Pinole Business Park I LP	Industrial	34,170,000	0.16
20.	Stephens & Stephens LLC	Industrial	33,661,600	0.16
	<b>Total</b>		<b>\$3,891,877,662</b>	<b>18.51%</b>

<sup>(1)</sup> Total Local Secured Assessed Valuation for 2013-14: \$21,027,153,899.  
Source: California Municipal Statistics, Inc.

***Chevron Property Tax Appeals and the Settlement Agreement.*** Chevron USA, Inc. ("Chevron USA"), the largest taxpayer in the District, currently represents 13.06% of the total local secured assessed valuation in the District. The Chevron USA petroleum refinery is located on 2,900 acres comprised of 45 parcels located primarily within the City of Richmond, California. Since 2004, Chevron USA, Chevron Corporation and all Chevron Affiliates (collectively, "Chevron") have annually appealed its assessed property valuations to the County Assessment Appeals Board (the "Appeals Board") seeking to reduce the assessed valuation of its refinery. Over the years, the Appeals Board has adopted findings and issued decisions which have resulted in tax refunds to Chevron as well as decisions requiring Chevron to pay more property taxes than it would have paid based on the County Assessor's valuation. Chevron has challenged every Appeals Board decision in Contra Costa County Superior Court.



Below are historical local secured assessed valuations of Chevron, commencing with fiscal year 2004-05 which is the first year Chevron appealed the County's property tax assessments.

**TABLE 8**  
**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT**  
**CHEVRON USA, INC. - HISTORY OF SECURED ASSESSED VALUATION**

<u>Year</u>	<u>Assessed Valuations<sup>(1)</sup></u>
2004-05	\$2,469,045,601
2005-06	2,678,641,859
2006-07	2,680,893,790
2007-08	3,433,927,316
2008-09	3,472,863,434
2009-10	3,086,587,302
2010-11	2,028,768,690
2011-12	2,746,309,920
2012-13	3,861,657,121
2013-14	2,747,070,368 <sup>(2)</sup>

<sup>(1)</sup> Secured Assessed Value of the Chevron USA property as reflected on the County Assessor's Equalized Tax Roll. Values have not been adjusted to reflect successful property tax appeals.

<sup>(2)</sup> In August 2012, Chevron USA Inc., the largest taxpayer in the District, experienced a fire at its City of Richmond campus. The assessed valuation of the Chevron properties decreased by \$1,114,586,753 from 2012-13 to 2013-14 due to a decrease in revenues resulting from the closure of a portion of the Chevron facilities from August 2012 to April 2013.

Source: California Municipal Statistics, Inc.

Chevron, the County Assessor and the City of Richmond have negotiated a settlement agreement to settle Chevron's pending property tax claims, appeals, and litigation for 2004 through 2012 (the Chevron/County Settlement<sup>TM</sup>). The Board of Supervisors of the County and the City Council of the City of Richmond have approved the Chevron/County Settlement on September 17, 2013 and September 18, 2013, respectively.

Under the terms of the settlement agreement, Chevron and the Assessor's Office will request the Appeals Board (i) approve the assessed values of the Chevron refinery for 2010-11 and (ii) reduce the 2012 taxable value of the refinery from \$3.87 billion to \$3.28 billion. The 2012 reduction in taxable value will result in an overpayment of \$8 million by Chevron. One condition of the settlement is that Chevron relinquishes its right to receive a refund of those property taxes, such that the County and its agencies will not lose additional property tax money to pay a refund to Chevron.

In the future, Chevron and the Assessor's Office will meet annually and confer regarding the value of the Chevron refinery, as was done prior to 2004. If Chevron disagrees with property tax assessments, the Assessor's Office and Chevron will mediate the claims before asking the Appeals Board to adjudicate the property tax dispute.

The settlement does not prevent Chevron from filing future claims, litigation or appeals concerning the value of the Chevron refinery nor, with limited exceptions, does it limit the issues that can be raised in future disputes. The settlement does prevent challenges to the historical base year values (Proposition 13 value) of the Chevron refinery; the values enrolled for the Chevron refinery for any year up to and including January 1, 2013 or any previous Appeals Board decisions regarding the value of the refinery, unless (1) the Appeals Board changes the enrolled value of the refinery for any period on or before January 1, 2013; or (2) the Assessor issues assessments for property at the Chevron refinery for any period on or before January 1, 2013.

The District cannot predict the effect the Chevron/County Settlement will have on the total local assessed valuation in the District.

## **CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS**

The Bonds are general obligations of the District payable solely from *ad valorem* taxes levied on taxable property within the District. The *ad valorem* tax is required to be levied by the County in an amount sufficient for the payment of debt service on the Bonds. See "SECURITY FOR THE BONDS." Articles XIII A, XIII B, XIII C and XIII D of the Constitution, Propositions 98 and 11, and certain other provisions of law discussed below, describe the potential effect of these Constitutional and statutory measures on the ability of the County to levy taxes and the District to spend tax proceeds for operating and other purposes, and it should not be inferred from the inclusion of such materials that these laws impose any limitation on the ability of the County to levy *ad valorem* taxes for payment of the Bonds. The *ad valorem* tax levied by the County for payment of the Bonds was approved by the District's voters in compliance with Article XIII A, Article XIII C, and all applicable laws.

### **Constitutionally Required Funding of Education**

The State Constitution requires that from all State revenues there shall first be set apart the monies to be applied by the State for the support of the public school system and public institutions of higher education. School districts in the State receive a significant portion of their funding from State appropriations. As a result, fluctuations in State revenues can significantly affect appropriations made by the State Legislature to school districts.

### **Article XIII A of the State Constitution**

Article XIII A of the State Constitution, as amended, limits the amount of *ad valorem* taxes on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978, and on bonded indebtedness approved by a two-thirds vote on or after July 1, 1978, for the acquisition or improvement of real property. Proposition 39, approved by State voters on November 7, 2000, provides an alternative method of seeking voter approval for bonded indebtedness (see "Proposition 39" below). Article XIII A defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value," or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment." The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or a reduction in the consumer price index or comparable local data at a rate not to exceed 2% per year, or reduced in the event of declining property value caused by damage, destruction or other factors including a general economic downturn.

Article XIII A has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster, and in other minor or technical ways.

### **Legislation Implementing Article XIII A**

Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter approved indebtedness). The 1% property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the "taxing area" based upon their respective "situs." Article XIII A effectively prohibits the levying of any other *ad valorem* property tax above the 1% limit except for taxes to support indebtedness approved by the voters as described above.

All taxable property value included in this Official Statement is shown at 100% of taxable value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

### **Article XIII B of the State Constitution**

An initiative to amend the State Constitution entitled "Limitation of Government Appropriations" was approved on September 6, 1979 thereby adding Article XIII B to the State Constitution ("Article XIII B"). In June 1990, Article XIII B was amended by the voters through their approval of Proposition 111. Under Article XIII B, the State and each local governmental entity has an annual "appropriations limit" and is not permitted to spend certain monies that are called "appropriations subject to limitation" (consisting of tax revenues, State subventions and certain other funds) in an amount higher than the appropriations limit. Article XIII B does not affect the appropriations of monies that are excluded from the definition of "appropriations subject to limitation," including debt service on indebtedness existing or authorized as of January 1, 1979, or bonded indebtedness subsequently approved by the voters. In general terms, the appropriations limit is to be based on certain fiscal year 1978-79 expenditures, and is to be adjusted annually to reflect changes in costs of living and changes in population, and adjusted where applicable for transfer of financial responsibility of providing services to or from another unit of government. Among other provisions of Article XIII B, if these entities' revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years. However, in the event that a school district's revenues exceed its spending limit, the district may, in any fiscal year, increase its appropriations limit to equal its spending by borrowing appropriations limit from the State, provided the State has sufficient excess appropriations limit in such year.

### **Article XIII C and Article XIII D of the State Constitution**

On November 5, 1996, the voters of the State approved Proposition 218, the so called "Right to Vote on Taxes Act." Proposition 218 added Articles XIII C and XIII D to the State Constitution, which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

Article XIII D deals with assessments and property related fees and charges. Article XIII D explicitly provides that nothing in Article XIII C or XIII D shall be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development; however it is not clear whether the initiative power is therefore unavailable to repeal or reduce developer and mitigation fees imposed by the District. Developer fees imposed by the District are neither pledged nor available to pay the Bonds.

### **Proposition 26**

On November 2, 2010, State voters adopted Proposition 26, amending Article XIII C of the State Constitution to expand the definition of "tax" to include "any levy, charge or exaction of any kind imposed a local government" except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local agency of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the agency of providing the service or product to the payor; (3) a charge imposed for the reasonable regulatory costs to the local government incident to issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of state property, or the purchase, rental, or lease of state property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIII D. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner

in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.

### **Proposition 62**

On November 4, 1986, State voters adopted Proposition 62, a statutory initiative which amended the Government Code by the addition of Sections 53720-53730. Proposition 62 requires that (i) any local tax for general governmental purposes (a "general tax") must be approved by a majority vote of the electorate; (ii) any local tax for specific purposes (a "special tax") must be approved by a two-thirds vote of the electorate; (iii) any general tax must be proposed for a vote by two-thirds of the legislative body; and (iv) proceeds of any tax imposed in violation of the vote requirements must be deducted from the local agency's property tax allocation. Provisions applying Proposition 62 retroactively from its effective date to 1985 are unlikely to be of any continuing importance; certain other restrictions were already contained in the State Constitution.

Most of the provisions of Proposition 62 were affirmed by the 1995 State Supreme Court decision in *Santa Clara County Local Transportation Authority v. Guardino* ("Santa Clara"), which invalidated a special sales tax for transportation purposes because fewer than two-thirds of the voters voting on the measure had approved the tax. Following the State Supreme Court's decision upholding Proposition 62, several actions were filed challenging taxes imposed by public agencies since the adoption of Proposition 62, which was passed in November 1986. On June 4, 2001, the State Supreme Court released its decision in one of these cases, *Howard Jarvis Taxpayers Association v. City of La Habra, et al.* ("La Habra"). In this case, the court held that public agency's continued imposition and collection of a tax is an ongoing violation, upon which the statute of limitations period begins anew with each collection. The court also held that, unless another statute or constitutional rule provided differently, the statute of limitations for challenges to taxes subject to Proposition 62 is three years. Accordingly, a challenge to a tax subject to Proposition 62 may only be made for those taxes received within three years of the date the action is brought.

Although by its terms Proposition 62 applies to school districts, the District has not experienced any substantive adverse financial impact as a result of the passage of this initiative or the *Santa Clara* or *La Habra* decisions and believes that any impact experienced by the District will not adversely affect the ability of the District to make payments with respect to the Bonds.

### **Proposition 98**

On November 8, 1988, State voters approved Proposition 98, a combined initiative, constitutional amendment and statute called the "Classroom Instructional Improvement and Accountability Act" (the "Accountability Act"). The Accountability Act changed State funding of public education below the university level, and the operation of the State's Appropriations Limit, primarily by guaranteeing K-12 school districts and community college districts (collectively, "K-14 districts") a minimum share of State General Fund Revenues.

Under Proposition 98 (as modified by Proposition 111, which was enacted on June 5, 1990), K-14 districts are guaranteed the greater of (a) approximately 40.9% of State General Fund revenues ("Test 1"), (b) the amount appropriated to K-14 schools in the prior year, adjusted for changes in the cost of living (measured as in Article XIII B by reference to State per capita personal income) and enrollment ("Test 2"), or (c) a third test, which would replace Test 2 in any year when the percentage growth in per capita State General Fund revenues from the prior year plus one half of one percent is less than the percentage growth in State per capita personal income ("Test 3"). Under Test 3, schools would receive the amount appropriated in the prior year adjusted for changes in enrollment and per capita State General Fund revenues, plus an additional small adjustment factor. If Test 3 is used in any year, the difference between Test 3 and Test 2 would become a "credit" to schools which would be paid in future years when per capita State General Fund revenue growth exceeds per capita personal income growth.

Proposition 98 permits the Legislature by two-thirds vote of both houses, with the Governor's concurrence, to suspend the K-14 schools' minimum funding formula for a one-year period, and any corresponding reduction in funding for that year will not be paid in subsequent years. However, in determining the funding level for the succeeding year, the formula base for the prior year will be reinstated as if such

suspension had not taken place. In certain fiscal years, the State Legislature and the Governor have utilized this provision to avoid having the full Proposition 98 funding paid to support K-14 schools.

Proposition 98 also changes how tax revenues in excess of the State Appropriations Limit are distributed. "Excess" tax revenues are determined based on a two-year cycle, so that the State could avoid having to return to taxpayers excess tax revenues in one year if its appropriations in the next fiscal year were under its limit. After any two-year period, if there are excess State tax revenues, 50% of the excess would be transferred to K-14 schools with the balance returned to taxpayers. Further, any excess State tax revenues transferred to K-14 schools are not built into the school districts' base expenditures for calculating their entitlement for State aid in the next year, and the State's appropriations limit will not be increased by this amount.

Since Proposition 98 is unclear in some details, there can be no assurance that the Legislature or a court might not interpret Proposition 98 to require a different percentage of State General Fund revenues to be allocated to K-14 districts, or to apply the relevant percentage to the State's budgets in a different way than is proposed in the Governor's Budget. In any event, some fiscal observers expect Proposition 98 to place increasing pressure on the State's budget over future years, potentially reducing resources available for other State programs, especially to the extent the Article XIII B spending limit would restrain the State's ability to fund such other programs by raising taxes.

### **Proposition 39**

Proposition 39, which was approved by State voters in November 2000, provides an alternative method for passage of school facilities bond measures which lowers the constitutional voting requirement from two-thirds to 55% of voters and allows property taxes to exceed the 1% limit in order to repay such bonds. The lower 55% vote requirement would apply only for bond issues to be used for construction, rehabilitation, equipping of school facilities or the acquisition of real property for school facilities. The Legislature enacted additional legislation that placed certain limitations on this lowered threshold, requiring that (i) two-thirds of the governing board of a school district approve placing a bond issue on the ballot, (ii) the bond proposal be included on the ballot of a statewide or primary election, a regularly scheduled local election, or a statewide special election (rather than a school board election held at any time during the year), (iii) the tax rate levied as a result of any single election not exceed \$25 for a community college district, \$60 for a unified school district, or \$30 for an elementary school or high school district per \$100,000 of taxable property value, and (iv) the governing board of the school district appoint a citizen's oversight committee to inform the public concerning the spending of the bond proceeds. In addition, the school board of the applicable district is required to perform an annual, independent financial and performance audit until all bond funds have been spent to ensure that the funds have been used only for the projects listed in the measure.

Notwithstanding the legislative limitation that the tax rate levied as a result of any single election may not exceed \$60 per \$100,000 of taxable property value within the District, the County has the power and is obligated under State law, to levy a tax in any amount to pay the principal of, redemption premium, if any, and interest on the District's general obligation bonds, including the Bonds.

### **Proposition 1A**

On November 2, 2004, California voters approved Proposition 1A, which amended the State Constitution to reduce significantly the State's authority over major local government revenue sources. Under Proposition 1A, the State may not (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to schools or community colleges, (iii) change in how property tax revenues are shared among local governments without two-thirds approval of both houses of the State Legislature, or (iv) decrease Vehicle License Fees revenues without providing local governments with equal replacement funding. Beginning in 2008-09, the State may shift to schools and community colleges a limited amount of local government property tax revenue if certain conditions are met, including (a) a proclamation by the Governor that the shift is needed due to a severe financial hardship of the State, and (b) approval of the shift by the State Legislature with a two-thirds vote of both houses. Under such a

shift, the State must repay local governments for their property tax losses, with interest, within three years. Proposition 1A does allow the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amends the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to schools or community colleges or to those mandates relating to employee rights.

The application of Proposition 98 and other statutory regulations has become increasingly difficult to predict accurately in recent years. One major reason is that Proposition 98 minimums under the first test and the second test described above are dependent on State General Fund revenues. In several recent fiscal years, the State made actual allocations to K-14 districts based on an assumption of State General Fund revenues at a level above that which was ultimately realized. In such years, the State has considered the amounts appropriated above the minimum as a loan to K-14 districts, and has deducted the value of these loans from future years' estimated Proposition 98 minimums.

### **Proposition 22**

Under Proposition 1A, the State no longer has the authority to permanently shift city, county, and special district property tax revenues to schools, or take certain other actions that affect local governments. In addition, Proposition 1A restricts the State's ability to borrow State gasoline sales tax revenues. (See "— Proposition 1A" above). These provisions in the Constitution, however, do not eliminate the State's authority to temporarily borrow or redirect some city, county, and special district funds or the State's authority to redirect local redevelopment agency revenues. However, Proposition 22, The Local Taxpayer, Public Safety, and Transportation Protection Act, approved by the voters of the State on November 2, 2010, reduces or eliminates the State's authority: (1) to use State fuel tax revenues to pay debt service on State transportation bonds; (2) to borrow or change the distribution of State fuel tax revenues; (3) to direct redevelopment agency property taxes to any other local government; (4) to temporarily shift property taxes from cities, counties, and special districts to schools; (5) and to use vehicle license fee revenues to reimburse local governments for State mandated costs. As a result, Proposition 22 impacts resources in the State's General Fund and transportation funds, the State's main funding source for schools and community colleges, as well as universities, prisons and health and social services programs. According to the LAO's analysis of Proposition 22 submitted by the LAO on July 15, 2010, the expected reduction in resources available for the State to spend on these other programs as a consequence of the passage of Proposition 22 will be approximately \$1 billion in fiscal year 2010–11, with an estimated immediate fiscal effect equal to approximately 1% of the State's total General Fund spending. The longer-term effect of Proposition 22, according to the LAO analysis, will be an increase in the State's General Fund costs by approximately \$1 billion annually for several decades.

### **Proposition 30**

On November 6, 2012, State voters approved "The Schools and Local Public Safety Protection Act of 2012" ("Proposition 30"). Proposition 30 generally provides for (i) a 0.25 percent increase in the state sales tax over four calendar years, commencing on January 1, 2013 and ending December 31, 2016, and (ii) an increase on personal income taxes on taxpayers with annual earnings over \$250,000 (approximately 1% of California personal income tax filers), retroactive to January 1, 2012. The personal income tax rate increase is as follows: (i) 1% for individual filer taxable income over \$250,000 but less than \$300,000 (joint filers taxable income over \$340,000 but less than \$408,000); (ii) 2% for individual filer taxable income over \$300,000 but less than \$500,000 (joint filers taxable income over \$408,000 but less than \$680,000); and (iii) 3% for individual filer taxable income over \$500,000 (joint filers taxable income over \$680,000). Proposition 30 amends the State Constitution by adding Section 36 to Article XIII, providing, among other things for the establishment of the Education Protection Account ("EPA") in the State's General Fund.

The revenues derived from the temporary tax increases will, pursuant to Proposition 30, be deposited in the EPA and will be included in the calculation of Proposition 98 minimum funding guarantee. See "— Propositions 98 and 111" above. Pursuant to Proposition 30, funds in the EPA will be allocated quarterly, with 89% of such funds provided to school districts and 11% provided to community college districts. The funds will

be distributed to school districts and community college districts in the same manner as existing unrestricted per-student funding, except that no school district will receive less than \$200 per unit of ADA and no community college district will receive less than \$100 per full time equivalent student. Under current law, approximately \$6.7 billion from the EPA are schedule to be paid to all K-14 school districts in June 2013.

The governing board of each school district, charter school and community college district is granted sole authority to determine how to spend funds received from the EPA; provided, however, that the governing board is required to make spending determinations in open session, at a public meeting. Furthermore, such entities may not use any funds from the EPA for salaries or benefits of administrators or any other administrative costs. Each school district, charter school and community college district must annually publish on its Internet web site an accounting of how much money was received from the EPA and how that money was spent.

### **Future Initiatives**

From time to time other amendments to the State constitution, propositions and initiative measures could be adopted that further affect District revenues or the District's ability to expend revenues.

## **STATE OF CALIFORNIA FISCAL ISSUES**

*The following information concerning the State's budget has been extracted and summarized from publicly available information which the District believes to be reliable, including information provided by the State's Department of Finance, by the Governor's Office and by the Legislative Analyst's Office (the "LAO"); however, neither the District, nor the Underwriters guarantee the accuracy or completeness of this information and none of such entities has independently verified such information. Additional information regarding the State budgets and fiscal issues is available at various State-maintained websites, including [www.dof.ca.gov](http://www.dof.ca.gov). The websites addresses, if any, are provided for convenience only and none of the information contained therein is incorporated by reference neither the District, nor the Underwriters independently verified any of the information or content of such websites.*

As a result of State budget shortfalls in recent years, the District has received significantly less revenue from the State and has had to reduce expenditures. See "APPENDIX A—DISTRICT FINANCIAL AND OPERATING INFORMATION - Comparative Financial Statements."

### **General Overview**

**State Budget Process.** The State's fiscal year currently begins on July 1 and ends on June 30. The State Constitution requires the Governor to propose a budget to the State Legislature no later than January 10 of each year. Under State law, the proposed budget cannot provide for projected expenditures in excess of projected revenues and balances available from prior fiscal years. A final budget must be adopted by a simple majority vote of each house of the State Legislature no later than June 15. Upon the Governor's signature the adopted final budget becomes law (the "State Budget"). State law requires that the State Budget be signed into law by no later than June 30.

Money may be drawn from the State Treasury only through an appropriation made by law. Most appropriations are made through the State Budget, but appropriations bills may also be separately submitted. Bills appropriating funds must be approved by a two-thirds majority vote in each house of the State Legislature (except for bills containing K-14 education appropriations, which require only a simple majority vote) and be signed by the Governor. Subject to override by two-thirds vote of each house of the State Legislature, when an appropriation bill or final budget is submitted for signature, the Governor may reduce or eliminate specific line items without vetoing the entire document. Continuing appropriations, available without regard to fiscal year, may also be provided by statute or the State Constitution. Revenues may be appropriated in anticipation of their receipt and actual funds need not be in the State Treasury at the time an appropriation is enacted. However, delays in the adoption of a final State budget in any fiscal year may affect payments of State funds during a budget impasse.

## Recent State Budgets

Certain information about the State budgeting process and the State Budget is available through several State of California sources. A convenient source of information is the State's website. *The references to Internet websites shown below are shown for reference and convenience only, the information contained within the websites may not be current and has not been reviewed by the District and is not incorporated herein by reference.*

- The California Department of Finance's Internet home page at [www.dof.ca.gov](http://www.dof.ca.gov), under the heading "California Budget," includes the text of proposed and adopted State Budgets.
- The State Legislative Analyst's Office ("LAO") prepares analyses of the proposed and adopted State Budgets. The analyses are accessible on the Legislative Analyst's Internet home page at [www.lao.ca.gov](http://www.lao.ca.gov), under the heading "Products."

**2012-13 State Budget.** On June 27, 2012, the Governor signed a \$92 billion General Fund State Budget that closed the State's then-remaining \$15.7 billion deficit and rebuilt a \$1 billion General Fund reserve (the "2012-13 State Budget"). The 2012-13 State Budget relied heavily on a plan to submit to the voters on November 6, 2012 the "Schools and Local Public Safety Protection Act," a \$6.9 billion tax increase, known as Proposition 30 (the "Proposition 30"). Proposition 30, which was passed by the voters, averted \$5.9 billion of planned Trigger Cuts that would have affected public education funding in the State. The 2012-13 State Budget also contains reductions in expenditures from prior years spending totaling \$8.1 billion. The 2012-13 State Budget expects \$1.5 billion in savings will be generated as the results of the transfer of cash assets previously held by redevelopment agencies to cities, counties and special districts to fund core public services and to schools to offset State General Fund costs. An additional \$1.9 billion in saving will arise due to prepayment of the State's Proposition 98 funding as required by a court settlement.

Revenues raised by Proposition 30's tax increases will be deposited into the Education Protection Account ("EPA") within the State's General Fund. The Department of Finance estimates that the new revenues will total approximately \$8.5 billion in 2011-12 and 2012-13 combined. With the overall boost in General Fund revenues, the minimum funding level for schools and community colleges constitutionally required by Proposition 98 will increase by approximately \$2.9 billion. Eighty-nine percent of EPA funds will go directly to K-12 school districts, county offices of education, and charter schools, and the remaining 11% will go directly to community college districts. No school district will receive less than \$200 in EPA funds per student, and no community college district would receive less than \$100 in EPA funds per student.

*The complete 2012-13 State Budget may be found at the website of the Department of Finance, [www.dof.ca.gov](http://www.dof.ca.gov), under the heading "California Budget." Additionally, an impartial analysis of the budget is posted by the Office of the Legislative Analyst at [www.lao.ca.gov](http://www.lao.ca.gov). The information referred to is prepared by the respective State agency maintaining each website and not by the District, and the District takes no responsibility for the continued accuracy of the Internet addresses or for the accuracy, completeness of timeliness of information posted there, and such information is not incorporated herein by these references.*

**2013-14 State Budget.** The Governor signed the fiscal year 2013-14 State Budget (the "2013-14 State Budget") on June 27, 2013. The 2013-14 State Budget represents a multiyear plan that maintains a \$1.1 billion reserve and pays down certain budgetary debt. The 2013-14 State Budget provides for \$97.1 billion in revenues and transfers for fiscal year 2013-14 (down slightly from the \$98.2 billion estimated for fiscal year 2012-13), and \$96.3 billion in total expenditures for fiscal year 2013-14 (up slightly from the \$95.7 billion estimates for fiscal year 2012-13). However, unlike recent years, the State enters fiscal year 2013-14 with a positive prior year general fund balance, approximately \$872 million, as compared to a negative general fund balance of \$1.7 billion at the start of fiscal year 2012-13. The 2013-14 State Budget, accordingly, is able to set aside a \$1.1 billion reserve in a special fund for economic uncertainties.

The 2013-14 State Budget projects that budgetary debt, which was approximately \$35 billion at the end of fiscal year 2010-11 and \$27 billion at the end of fiscal year 2012-13, will be reduced to less than \$5 billion by the end of fiscal year 2016-17. Although the 2013-14 State Budget is a balanced budget, the 2013-14 State Budget notes that substantial risks, uncertainties and liabilities remain, including the pace



of the economic recovery, the State's needs to address its other significant liabilities and the federal budget for federal fiscal year 2014.

With the passage of Proposition 30, the 2013-14 State Budget reinvests in, rather than cuts, education funding. The Proposition 30 increased the personal income tax rates on the State's highest income taxpayers by up to three percent for a period of seven years beginning with the 2012 tax year, and increased the sales tax by one-quarter percent for a period of four years beginning on January 1, 2013. For K-12 education, the 2013-14 State Budget provides \$55.3 billion (or \$8,220 per student) in Proposition 98 funding in fiscal year 2013-14, which is slightly lower than the \$56.5 billion estimated in fiscal year 2012-13 but an increase of more than \$8 billion (or \$1,045 per student) from fiscal year 2011-12 levels. The 2013-14 State Budget projects \$67.1 billion (or \$10,010 per student) in Proposition 98 funding in fiscal year 2016-17. Total funding under the 2013-14 State Budget for all K-12 education in fiscal year 2013-14 is approximately \$70 billion.

The 2013-14 State Budget also contains a new formula for funding the school finance system (the "Local Control Funding Formula"). The Local Control Funding Formula is designed to increase local control and flexibility, reduce State bureaucracy and better allocate resources based on student needs. The Local Control Funding Formula would replace the existing revenue limit funding system and most categorical programs. See "*Local Control Funding Formula*" herein for more information.

Certain budget adjustments for K-12 programs include the following:

- Local Control Funding Formula. An increase of \$2.1 billion in Proposition 98 general funds for school districts and charter schools, and \$32 million in Proposition 98 general funds for county offices of education, to support first-year funding provided through the Local Control Funding Formula.
- Common Core Implementation. An increase of \$1.25 billion in one-time Proposition 98 general funds to support the implementation of the Common Core, which are new standards for evaluating student achievement in English-language arts and mathematics. Such funding will be distributed to local education agencies on the basis of enrollment to support necessary investments in professional development, instructional materials and technology. Local education agencies will be required to develop a plan to spend this money over the next two years and to hold a public hearing on such plan.
- Career Technical Education Pathways Grant Program. An increase of \$250 million in Proposition 98 general funds for one-time competitive capacity-building grants for K-12 school districts and community colleges to support programs focused on work-based learning. K-12 schools and community colleges must obtain funding commitments from program partners to support ongoing program costs.
- K-12 Mandates Block Grant. An increase of \$50 million in Proposition 98 general funds to reflect the inclusion of the Graduation Requirements mandate within the block grant program. This increase will be distributed to school districts, county offices of education and charter schools with enrollment in grades 9-12.
- K-12 Deferrals. An increase of \$1.6 billion in Proposition 98 general funds in fiscal year 2012-13 and an increase of \$242.3 million in Proposition 98 general funds in fiscal year 2013-14 for the repayment of inter-year budgetary deferrals. When combined, total funding over such two-year period will reduce K-12 inter-year deferrals to \$5.6 billion by the end of fiscal year 2013-14.
- Special Education Funding Reform. The 2013-14 State Budget includes several consolidations for various special education programs in an effort to simplify special education finance and provide Special Education Local Plan Areas with additional funding flexibility.

With respect to the implementation of Proposition 39 (The California Clean Energy Jobs Act), which was approved at the November 6, 2012 election, the 2013-14 State Budget allocates \$381 million in

Proposition 98 general funds to K-12 local education agencies to support energy efficiency projects approved by the California Energy Commission. Of this amount, 85% will be distributed based on ADA and 15% will be distributed based on free and reduced-price meal eligibility. The 2013-14 State Budget establishes minimum grant levels of \$15,000 and \$50,000 for small and exceptionally small local education agencies and allows these agencies to receive an advance on a future grant allocation. Other local education agencies would receive the greater of \$100,000 or their weighted distribution amount. The 2013-14 State Budget also provides \$28 million for interest-free revolving loans to assist eligible energy projects at schools and community colleges.

The complete 2013-14 State Budget is available from the California Department of Finance website at [www.dof.ca.gov](http://www.dof.ca.gov). The District takes no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

**Local Control Funding Formula.** The Local Control Funding Formula replaces the existing revenue limit funding system and most categorical programs, and distributes combined resources to school districts through a base revenue limit funding grant (“Base Grant”) per unit of ADA with additional supplemental funding allocated to local educational agencies based on their proportion of English language learners, students from low-income families and foster youth, beginning in fiscal year 2013-14. The Local Control Funding Formula has an eight year implementation program to incrementally close the gap between actual funding and the target level of funding, as described below. The Local Control Funding Formula includes the following components:

- A targeted Base Grant for each local education agency is established as follows per unit of ADA in fiscal year 2013-14. Such Base Grant per unit of ADA, adjusted by grade span variation and to be adjusted annually for cost-of-living, is as follows: \$6,845 for grades K-3, \$6,947 for grades 4-6, \$7,154 for grades 7-8 and \$8,289 for grades 9-12. This amount includes an adjustment of 10.4% to the Base Grant to support lowering class sizes in grades K-3, and an adjustment of 2.6% to reflect the cost of operating career technical education programs in grades 9-12. The targeted funded rates are expected to increase year over year. Full funding for targeted rates are expected to be implemented over eight years.
- A 20% supplemental grant for the unduplicated number of English language learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.
- An additional concentration grant of up to 22.5% of a local education agency’s Base Grant, based on the number of English language learners, students from low-income families and foster youth served by the local education agency that comprise more than 55% of enrollment.
- An Economic Recovery Target (the “ERT”) that is intended to ensure that almost every local education agency receives at least their pre-recession funding level (i.e., the fiscal year 2007-08 revenue limit per unit of ADA), adjusted for inflation, at full implementation of the Local Control Funding Formula. Upon full implementation, local education agencies would receive the greater of the Base Grant or the ERT.

Of the projected \$25 billion in new funding to be invested through the Local Control Funding Formula over the next eight years, the vast majority of new funding will be provided for Base Grants. Specifically, of every dollar invested through the Local Control Funding Formula, 84 cents will go to Base Grants, 10 cents will go to supplemental grants and 6 cents will go to concentration grants.

Under the new formula, for “basic aid districts” (school districts whose local property tax revenues exceed its base revenue limit which are not entitled to receive State equalization aid, and receive only special categorical aid and the “basic aid” of \$120 per student per year guaranteed by the State Constitution), local property tax revenues would be used to offset up to the entire allocation under the new formula. However, “basic aid districts” would continue to receive the same level of State aid as allocated in fiscal year 2012-13.

All school districts, county offices of education and charter schools will be required to develop and adopt local control and accountability plans, which will identify local goals in areas that are priorities for the State, including pupil achievement, parent engagement and school climate. Such local control and accountability plans are to be developed in accordance with a template to be provided by the State Board of Education. County superintendents will review and provide support to the school districts under their jurisdiction, while the Superintendent of Public Instruction will perform a corresponding role for county offices of education. In addition the 2013-14 State Budget creates the California Collaborate for Education Excellence (the "Collaborative") to advise and assist local education agencies in achieving the goals identified in their plans. For local education agencies that continue to struggle in meeting their goals, and when the Collaborative indicates that additional intervention is needed, the Superintendent of Public Instruction would have authority to make changes to a local education agency's plan.

### **Future Budgets and Actions**

The District cannot predict what actions will be taken in the future by the State Legislature and the Governor to address the current State budget deficit, changing State revenues and expenditures or the impact such actions will have on State revenues available in the current or future years for education. The State budget will be affected by national and State economic conditions and other factors over which the District will have no control. Certain actions could result in a significant shortfall of revenue and cash, and could impair the State's ability to fund schools. Continued State budget shortfalls in future fiscal years could have an adverse financial impact on the State General Fund budget.

The District cannot predict how State income or State education funding will vary over the term of the Bonds, and the District takes no responsibility for informing owners of the Bonds as to actions the State Legislature or Governor may take affecting the current year's budget. Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the Department of Finance website at [www.dof.ca.gov](http://www.dof.ca.gov), under the heading "California Budget" or at [www.ebudget.ca.gov](http://www.ebudget.ca.gov). Impartial analysis of the budgets and other information is posted by the LAO at [www.lao.ca.gov](http://www.lao.ca.gov). Also, various State official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on school districts, may be found at the State Treasurer website at [www.treasurer.ca.gov](http://www.treasurer.ca.gov). The information contained in such websites is prepared by the respective entity maintaining each website and not by the District. The District takes no responsibility for the accuracy of any such websites, or their addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

### **Litigation Challenging Method of School Financing**

In *Robles-Wong, et al. v. State of California* (Alameda County Superior Court, Case No. RG-10-515768), plaintiffs challenge the state's "education finance system" as unconstitutional. Plaintiffs, consisting of 62 minor school children, various school districts, the California Association of School Administrators and the California School Boards Association, allege the state has not adequately fulfilled its constitutional obligation to support its public schools, and seek an order enjoining the state from continuing to operate and rely on the current financing system and to develop a new education system that meets constitutional standards as declared by the court. On July, 16, 2010, the California Teachers' Association filed a Complaint in Intervention, making the same allegations and seeking the same declaratory and injunctive relief. On January 14, 2011, the court dismissed certain of the causes of action, including causes of action that alleged a constitutional right to a particular level of education funding and violations of equal protection of the law, based on certain State constitutional provisions. On July 26, 2011, the Superior Court rejected the plaintiff's amended complaint as not stating an equal protection claim. On January 25, 2012, the plaintiff's filed an appeal in the 1st Appellate District. In August 2013, the Appellate Court was notified that a significant event had occurred since the filing of the appeal. In particular, the Court was notified of new legislation, LCFF, effective July 1, 2013, which restructures the K-12 finance system. The District cannot predict the outcome of the Robles-Wong litigation.

In a related matter, *Campaign for Quality Education et al. ("CQE") v. State of California* (Alameda County Superior Court, Case No. RG-10-524770), plaintiffs also challenge the constitutionality of the State's education finance system. The court issued a ruling that there was no constitutional right to a particular level of school funding. The court allowed plaintiffs to amend their complaint with respect to alleged violation of plaintiffs' right to equal protection. Plaintiffs have appealed the court's ruling rather than amending their complaint. In August 2013, the Appellate Court was notified that a significant event had occurred since the filing of the appeal. In particular, the Court was notified of new legislation, LCFF, effective July 1, 2013, which restructures the K-12 finance system. The District cannot predict the outcome of the CQE litigation.

## TAX MATTERS

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest on the Bonds is excluded from gross income for federal income tax purposes, and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. In the further opinion of Bond Counsel, interest on the Bonds is exempt from State of California personal income tax. Bond Counsel notes that, with respect to corporations, interest on the Bonds may be included as an adjustment in the calculation of alternative minimum taxable income which may affect the alternative minimum tax liability of corporations.

The difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of the same series and maturity is to be sold to the public) and the stated redemption price at maturity with respect to the Bond constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bondowner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Bondowner will increase the Bondowner's basis in the applicable Bond. In the opinion of Bond Counsel, the amount of original issue discount that accrues to the owner of the Bond is excluded from gross income of such owner for federal income tax purposes, is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and is exempt from State of California personal income tax.

Bond Counsel's opinion as to the exclusion from gross income of interest on the Bonds (and original issue discount) is based upon certain representations of fact and certifications made by the District and others and is subject to the condition that the District complies with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Bonds to assure that interest on the Bonds (and original issue discount) will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause the interest on the Bonds (and original issue discount) to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The District has covenanted to comply with all such requirements.

The amount by which a Bondowner's original basis for determining loss on sale or exchange in the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium, which must be amortized under Section 171 of the Code; such amortizable Bond premium reduces the Bondowner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bondowner realizing a taxable gain when a Bond is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Owner. Purchasers of the Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable Bond premium.

The Internal Revenue Service (the "IRS") has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the IRS. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of similar bonds). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, Congress or the IRS might not change the Code (or interpretation thereof)

subsequent to the issuance of the Bonds to the extent that it adversely affects the exclusion from gross income of interest on the Bonds or their market value.

SUBSEQUENT TO THE ISSUANCE OF THE BONDS, THERE MIGHT BE FEDERAL, STATE OR LOCAL STATUTORY CHANGES (OR JUDICIAL OR REGULATORY INTERPRETATIONS OF FEDERAL, STATE OR LOCAL LAW) THAT AFFECT THE FEDERAL, STATE OR LOCAL TAX TREATMENT OF THE INTEREST ON THE BONDS OR THE MARKET VALUE OF THE BONDS. LEGISLATIVE CHANGES HAVE BEEN PROPOSED IN CONGRESS, WHICH, IF ENACTED, WOULD RESULT IN ADDITIONAL FEDERAL INCOME TAX BEING IMPOSED ON CERTAIN OWNERS OF TAX-EXEMPT STATE OR LOCAL OBLIGATIONS SUCH AS THE BONDS. THE INTRODUCTION OR ENACTMENT OF ANY SUCH CHANGES COULD ADVERSELY AFFECT THE MARKET VALUE OR LIQUIDITY OF THE BONDS. NO ASSURANCE CAN BE GIVEN THAT, SUBSEQUENT TO THE ISSUANCE OF THE BONDS, SUCH CHANGES (OR OTHER CHANGES) WILL NOT BE INTRODUCED OR ENACTED OR INTERPRETATIONS WILL NOT OCCUR. BEFORE PURCHASING ANY OF THE BONDS, ALL POTENTIAL PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING POSSIBLE STATUTORY CHANGES OR JUDICIAL OR REGULATORY CHANGES OR INTERPRETATIONS, AND THEIR COLLATERAL TAX CONSEQUENCES RELATING TO THE BONDS.

Bond Counsel's opinions may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. Bond Counsel has not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Resolution and the Tax Certificate relating to the Bonds permit certain actions to be taken or to be omitted if a favorable opinion of bond counsel is provided with respect thereto. Bond Counsel expresses no opinion as to the effect on the exclusion from gross income of interest on the Bonds (and original issue discount) for federal income tax purposes with respect to any Bond if any such action is taken or omitted based upon the advice of counsel other than Stradling Yocca Carlson & Rauth.

Although Bond Counsel has rendered an opinion that interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes provided that the District continues to comply with certain requirements of the Code, the ownership of the Bonds and the accrual or receipt of interest (and original issue discount) with respect to the Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences. Accordingly, before purchasing any of the Bonds, all potential purchasers should consult their tax advisors with respect to collateral tax consequences relating to the Bonds.

The proposed forms of opinion of Bond Counsel for the Series A Bonds and the Series B Bonds, respectively, is attached hereto as APPENDIX B.

## **FINANCIAL STATEMENTS**

The audited financial statements of the District for the fiscal year ended June 30, 2012, including the reporting of other post-employment benefit costs and obligations of the District as required under Governmental Accounting Standards Board #45, the independent auditor's report and the statement of activities and of cash flows are included as APPENDIX C attached hereto. The financial statements referred to in the preceding sentence have been audited by Crowe Horwath LLP (the "Auditor"), independent certified accountants. In connection with the inclusion of the financial statements and the report of the Auditor thereon in APPENDIX C to this Official Statement, the District did not request the Auditor to, and the Auditor has not undertaken to, update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to the date of its report.

## CONTINUING DISCLOSURE

The District has covenanted for the benefit of the holders and Beneficial Owners (as defined in the Continuing Disclosure Certificate) of the Bonds to provide certain financial information and operating data relating to the District (the “Annual Report”) by not later than nine (9) months following the end of each fiscal year (currently ending June 30) commencing with the report for the 2012-13 fiscal year (which is due no later than March 31, 2014) and to provide notices of the occurrence of certain enumerated events. The Annual Report will be filed by the District in searchable PDF or other acceptable electronic form with the Electronic Municipal Market Access system (“EMMA”) of the Municipal Securities Rulemaking Board. The notices of certain enumerated events, if any, will also be filed by the District with EMMA. The specific nature of the information to be contained in the Annual Report or a notice of material event is set forth in “APPENDIX D—FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These covenants have been made in order to assist the Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”). During the last five years, the District has complied in all material respects with its previous undertakings to file annual reports or notices of material events as required under the Rule.

## MISCELLANEOUS

### Legal Opinion

The validity of the Bonds and certain other legal matters are subject to the approving opinion of Bond Counsel. A copy of the proposed forms of opinion of Bond Counsel is contained in APPENDIX B hereto.

### No Litigation

No litigation is pending or threatened concerning the validity of the Bonds, and a certificate to that effect, executed by an authorized officer of the District, will be furnished to purchasers at the time of the original delivery of the Bonds. Furthermore, the District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the District’s ability to receive *ad valorem* taxes or contesting the District’s ability to issue the Bonds.

### Ratings

The Bonds have received ratings of “\_\_\_” from Moody’s Investors Service (“Moody’s”), “\_\_\_” from Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business (“S&P”), and “\_\_\_” from Fitch Ratings (“Fitch”). Any rating issued reflects only the views of such rating agency, and any explanation of the significance of such rating should be obtained from such rating agency, at the following address: Moody’s at 7 World Trade Center, 250 Greenwich Street, 23<sup>rd</sup> Floor, New York, New York 10007; or its website at: [www.moodys.com](http://www.moodys.com); S&P at 55 Water Street, New York, New York 10041; or its website at: [www.standardandpoors.com](http://www.standardandpoors.com); and Fitch at One State Street Plaza, 31st Floor, New York, New York 10004; or its website at: [www.fitchratings.com](http://www.fitchratings.com). The information contained or referenced in such websites or otherwise provided by any rating agency is not incorporated herein by reference.

There is no assurance that any rating will continue for any given period or that it will not be revised downward or withdrawn entirely by the rating agency if, in the judgment of the rating agency, circumstances so warrant. Any such downgrading or withdrawal may have an adverse effect on the market price of the Bonds. The District does not undertake any responsibility to oppose any such downward revision or withdrawal.

### Underwriting

The Bonds are being purchased, for offering to the public, by Underwriters pursuant to a Bond Purchase Contract (the “Purchase Contract”) by and between the District and Piper Jaffray & Co. (the “Representative”), on its own behalf and as representative of E. J. De La Rosa & Co., Inc. (together with the Representative, the “Underwriters”). The Underwriters have agreed to purchase the Bonds at the net price of \$\_\_\_\_\_ (which is equal to the principal amount of the Bonds, plus net original issue premium of \$\_\_\_\_\_, less an

Underwriters' discount of \$\_\_\_\_\_, and less the bond insurance premium of \$\_\_\_\_\_ being wired by the Underwriters directly to \_\_\_\_\_ at the request of the District). Pursuant to the Purchase Contract, the Underwriters will purchase all of the Bonds, if any are purchased, subject to certain terms and conditions to be satisfied by the District. The Underwriters may offer and sell the Bonds to certain dealers and others at prices lower than the offering prices stated on the cover page. The offering prices may be changed from time to time by the Underwriters.

*The following paragraphs in this Underwriting section have been provided by the respective Underwriters identified below. The District cannot and does not make any representation as to the accuracy or the completeness thereof.*

Piper Jaffray & Co. ("Piper Jaffray") and Pershing LLC, a subsidiary of The Bank of New York Mellon Corporation ("Pershing LLC"), entered into an agreement which enables Pershing LLC to distribute certain new issue municipal securities underwritten by or allocated to Piper Jaffray, including the Bonds. Under the agreement, Piper Jaffray will share with Pershing LLC a portion of the fee or commission paid to Piper Jaffray.

Piper Jaffray has entered into a distribution agreement with Charles Schwab & Co., Inc. ("CS&Co.") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the agreement, CS&Co. will purchase Bonds from Piper Jaffray at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that CS&Co. sells.

Piper Jaffray has entered into an agreement with UnionBanc Investment Services LLC ("UnionBanc") which enables UnionBanc to distribute certain new issue municipal securities underwritten by or allocated to Piper Jaffray which could include the Bonds. Under the agreement, Piper Jaffray could share with UnionBanc a portion of the fee or commission paid to Piper Jaffray.

De La Rosa & Co. has entered into separate agreements with Credit Suisse Securities USA LLC, and City National Securities, Inc. for retail distribution of certain municipal securities offerings, at the original issue prices. Pursuant to such agreements, if applicable to the Bonds, De La Rosa & Co. will share a portion of its underwriting compensation with respect to the Bonds, with Credit Suisse Securities USA LLC or City National Securities, Inc.

### **Contributions**

Piper Jaffray made voluntary contribution(s) to support the election authorizing the Series B Bonds. The contributions made by Piper Jaffray were reported to the California Secretary of State by the filing of a Major Donor and Independent Expenditure Committee Campaign Statement (California Fair Political Practices Commission Form 461).

### **Professionals Involved in the Offering**

Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California is acting as Bond Counsel to the District in connection with the Bonds. Garcia, Hernández, Sawhney & Bermudez, LLP, Oakland, California is acting as Disclosure Counsel to the District in connection with the Bonds. KNN Public Finance, Oakland, California is serving as the Financial Advisor to the District in connection with the Bonds.

The Bank of New York Mellon Trust Company, N.A., Dallas, Texas is serving as paying agent with respect to the Bonds. Bond Counsel, Disclosure Counsel and the Financial Advisor will receive compensation with respect to the Bonds contingent upon the sale and delivery of the Bonds.

**Additional Information**

The purpose of this Official Statement is to supply information to prospective buyers of the Bonds. Quotations from and summaries and explanations of the Bonds, the Resolution, and the constitutional provisions, statutes and other documents described herein do not purport to be complete, and reference is made to said documents, constitutional provisions and statutes for full and complete statements of their provisions.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or Owners of any of the Bonds.

Copies of documents referred to herein and information concerning the Bonds are available from the District through the Associate Superintendent, Business Services, West Contra Costa Unified School District, 1108 Bissell Avenue, Richmond, California 94801-3135, Telephone: (510) 231-1170. The District may impose a charge for copying, mailing and handling.

This Official Statement and its distribution have been duly authorized and approved by the District.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT**

By: \_\_\_\_\_  
Associate Superintendent, Business Services



## APPENDIX A

### DISTRICT FINANCIAL AND OPERATING INFORMATION

The information in this appendix concerning the management, finances and operations of the West Contra Costa Unified School District (the “District”), and the District’s revenues and expenditures, is provided as supplementary information only. It should not be inferred from the inclusion of this information in this Official Statement that the principal of and interest on the Bonds is payable from the General Fund of the District or from other District revenues. The Bonds are payable solely from the proceeds of an *ad valorem* tax required to be levied by the Board of Supervisors of Contra Costa County in an amount sufficient for the payment of principal and interest on the Bonds. See “SECURITY FOR THE BONDS” and “TAX BASE FOR REPAYMENT OF THE BONDS—*Ad Valorem* Property Taxation” in the body of this Official Statement. See also “District Debt Structure” and “Statement of Direct and Overlapping Debt” in this appendix for information concerning the District’s outstanding general obligation bonds payable from *ad valorem* taxes on a parity with the Bonds.

#### General Information

The District, unified in November 1964, is located approximately 15 miles northeast of San Francisco, California and consists of approximately 110 square miles in the western portion of Contra Costa County (the “County”). It provides educational services to the residents of the cities of El Cerrito, Hercules, Pinole, Richmond and San Pablo, the unincorporated communities of El Sobrante, Kensington and North Richmond, and certain other unincorporated areas in the County.

The District currently maintains 37 elementary schools, two K-8 school, six middle/junior high schools, six high schools and six alternative/continuation programs, 60 adult education sites, nine operation sites and 17 State-funded preschools. The pupil teacher staffing ratio in the District is approximately 26:1 for transitional kindergarten through third grade, 33:1 for grades 4 through 6 and for grades 6-8 in K-8 schools and 32:1 maximum for middle and high schools.

#### Board of Education

The District is governed by a five-member Board of Education (the “Board”), each member of which is elected to a four-year term. Elections for positions to the Board are held every two years, alternating between two and three available positions. The current members of the Board, their respective positions and the expiration of their respective terms are as follows:

#### WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

<u>Name</u>	<u>Position</u>	<u>Expiration of Term</u>
Madeline Kronenberg	President	December, 2014
Charles T. Ramsey	Clerk	December, 2014
Randall Enos	Member	December, 2016
Todd A. Groves	Member	December, 2016
Elaine R. Merriweather	Member	December, 2014

Source: West Contra Costa Unified School District.

#### District Senior Management Team

The District’s senior management team is led by the Superintendent who has the authority and is responsible for administering the affairs of the District in accordance with the policies of the Board. Three Associate Superintendents oversee and manage the following divisions: Business Services, K-Adult Education and Operations. Two Assistant Superintendents oversee and manage Education Services and Human Resources, and a Director oversees and manages the Special Education Local Area Plan. The District’s senior management team serves at the discretion of the Board. Brief biographical information for each of the principal members of the District’s senior management team is provided below.

**Dr. Bruce Harter, Superintendent.** Dr. Harter was appointed Superintendent of the District in July 2006. Prior to his appointment with the District, Dr. Harter served as superintendent at three other school districts. Dr. Harter earned his Bachelor's degree at the University of Michigan, Ann Arbor, Michigan and his Doctorate at the University of Colorado, Denver, Colorado. Dr. Harter has 41 years of service in public education.

**Sheri Gamba, Associate Superintendent, Business Services.** Ms. Gamba was appointed Associate Superintendent of Business Services of the District in 2007. Prior to her appointment with the District, Ms. Gamba served as Chief Business Officer at Antioch Unified School District. Ms. Gamba is the Past President (2010-11) of Northern California Section of the California Association of School Business Officials, and represents the District on various Joint Powers Agency (JPA) Boards in the region. Ms. Gamba has over 25 years of service in public education.

**Wendell C. Greer, Associate Superintendent, K-Adult Education.** Mr. Greer was appointed Associate Superintendent of K-Adult Education of the District in 2006. Prior to his appointment with the District, Mr. Greer worked as a teacher and coach and served as an administrator at other school districts in Southern California. Mr. Greer has over 31 years of service in public education.

**William Fay, Associate Superintendent, Operations.** Mr. Fay was appointed Associate Superintendent of Operations of the District in 2008, after 10 years with the Los Angeles Unified School District. Prior to his career in education, Mr. Fay held various operations management positions at the Walt Disney Corporation and served as chair to both the Planning Commission and the Design Commission of the Planning and Development Department of the City of Pasadena, California. Mr. Fay has 16 years of service in public education.

**Nia Rashidchi, Assistant Superintendent, Education Services.** Ms. Rashidchi was appointed Assistant Superintendent of Educational Services of the District in 2008. Prior to her appointment with the District, Ms. Rashidchi served as an Executive Director at a K-12 school district, a state and federal education coordinator and as an Elementary School Principal. Ms. Rashidchi has 19 years of service in public education.

**Kenneth Whittemore, Assistant Superintendent, Human Resources.** Mr. Whittemore was appointed Assistant Superintendent of Human Resources of the District in 2012. Prior to his appointment with the District, he served as a Teacher, Principal, and Assistant Superintendent in California and Oregon schools. Mr. Whittemore has 27 years of service in public education.

**Steve Collins, Director, Special Education Local Plan Area.** Mr. Collins was appointed Special Education Local Plan Area (SELPA) Director of the District in 1996. He has dedicated his career to public education and has served the District for 35 years.

## **DISTRICT FINANCIAL INFORMATION**

*The District's financial and operational information contained in this Appendix and other sections of this Official Statement is provided as supplementary information only and it should not be inferred that it is a complete description of the District's operations and finances. The information is summarized and excerpted from the District's audited financials, 2012-13 unaudited actuals and 2013-14 adopted budget and other publicly available data, which together with other publicly available District information, can be obtained by visiting the District's website at [www.wccusd.net](http://www.wccusd.net), and clicking on the link "Budget Information." It should not be inferred that any portion of the principal of, or interest on, the Bonds is payable from the General Fund of the District. The Bonds are payable only from the proceeds of ad valorem taxes required to be levied by the County in amounts sufficient for the payment therefor.*

### **State Funding of School Districts**

Prior to the 2013-14 State Budget, annual State apportionments of basic and equalization aid to K-12 school districts for general purposes were based on a revenue limit per unit of average daily attendance ("ADA"). The revenue limit was comprised of State general fund moneys and the district's share of the 1% local *ad valorem* property tax. If the district's total revenue limit exceeded its property tax revenue, its annual State apportionments, subject to certain adjustments, amounted to the difference between revenue limit and its *ad valorem* property tax receipts. ADA is determined by school districts three times a year, in December ("First Period ADA"), April ("Second Period ADA") and July ("Annual ADA").

The calculation of the amount of State apportionment a school district was entitled to receive each year was a multiple step process. First, the prior year Statewide revenue limit per ADA was recalculated with certain adjustments for equalization and other factors. Second, this adjusted prior year Statewide revenue limit per ADA was inflated according to formulas based on the implicit price deflator for government goods and services and the Statewide average revenue limit per ADA for each type of ADA (elementary, high school, or adult). This yielded the school district's current year revenue limit per ADA. Third, the current year revenue limit per ADA for each type of ADA was applied to the school district's ADA for either the current or prior year, as the district elected. Fourth, revenue limit adjustments known as "add-ons" were calculated for each school district if the school district qualified for such add-ons. There were, for example, add-ons to adjust for small school district size and for providing meals for needy pupils, among others. Finally, local *ad valorem* property tax revenues were deducted from the total revenue limit calculated for each district to arrive at the amount of State apportionment to which each school district was entitled for the current year.

The State revenue limit was calculated and recalculated three times a year for each school district on the basis of projections submitted by the district on or about December 10, based on First Period ADA, and April 15 and June 30, both based on Second Period ADA. Calculations were reviewed by each county office of education and submitted to the State Department of Education which reviewed the calculations for accuracy, calculated the amount of State apportionment owed to such school district, and notified the State Controller of the amount, which was then distributed to the school districts. The first calculation was performed for the First Principal Apportionment in February, the second calculation for the Second Principal Apportionment in June, and the final calculation for the end of fiscal year Annual Apportionment was made in October of the next fiscal year.

The 2013-14 State Budget established a new funding formula for school districts and county offices of education, the Local Control Funding Formula (the "LCFF"), to increase local control and flexibility, reduce State bureaucracy and to ensure that student needs drive the allocation of resources. The LCFF replaces the prior revenue limit funding system and most categorical programs, and distributes combined resources to school districts through a base revenue limit funding grant ("Base Grant") per unit of ADA with additional supplemental funding allocated to local educational agencies that serve English language learners and economically disadvantaged students, provide lower class sizes in grades K-3, or offer career technical education classes in high school. See "STATE OF CALIFORNIA FISCAL ISSUES – 2013-14 State Budget" in the body of the Official Statement for additional information regarding the LCFF. See "DISTRICT FINANCIAL INFORMATION – Revenue Limit and LCFF" in this Appendix A for information in the District's annual revenue limit and LCFF formula funding per ADA.

The District adopted its 2013-14 budget on June 26, 2013 (the "District Budget"). As the Board has an obligation to adopt a budget by June 30 of each fiscal year, the District Budget uses the general operational and revenue assumptions that were in the District's 2012-13 programs and 2012-13 State law relating to school revenues. The District adopted its 2013-14 45-Day Budget Revision on July 24, 2013 (the "2013-14 Budget Revision") to account for the new LCFF revenue. The District Budget and the 2013-14 Budget Revision may be accessed on the District's website as indicated above, or by contacting the District's Business Services Staff at 1108 Bissell Avenue, Richmond, California 94801; Room 106; Phone: (510) 231-1170; Fax: (510) 232-4149. The District may impose a charge for copying, mailing and handling.

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The District was a “revenue limit district,” which meant that it received some equalization aid. The District computes ADA based on actual attendance only, with no allowances for excused absences. The following table sets forth the funded Second Period ADA for fiscal years 2008-09 through 2012-13 and the estimated funded Second Period ADA for fiscal years 2013-14 through 2015-16:

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
AVERAGE DAILY ATTENDANCE**

<u>Fiscal Year</u>	<u>Average Daily Attendance<sup>(1)</sup></u>
2008-09	28,094
2009-10	27,614
2010-11	27,589
2011-12	27,598
2012-13	28,037
2013-14	27,971 <sup>(2)</sup>
2014-15	28,401 <sup>(2)</sup>
2015-16	29,018 <sup>(2)</sup>

<sup>(1)</sup> Includes grade levels K-12 and special education.

<sup>(2)</sup> Estimated.

Source: West Contra Costa Unified School District.

A school district’s enrollment can fluctuate due to factors such as population, competition from private, parochial, and public charter schools, inter-district transfers in or out of the district, and other causes. Losses in enrollment lower a school district’s revenue limit (and may result in loss of operating revenues), without necessarily permitting the district to make adjustments in fixed operating costs.

**District Revenues**

The District’s general operating fund (the “General Fund”) is used to account for the day-to-day operations of the District. The General Fund is divided into two sections: unrestricted and restricted. Unrestricted revenue may be spent at the District’s discretion. Restricted funds are moneys that can only be used for the purposes allowed by the funding agency.

**Other State Revenues.** Other State Revenues, or categorical funds, consist primarily of restricted revenues that fund specific items, such as new curriculum and technology, special education programs, instructional materials, and mentor teachers.

**Common Core Block Grant.** Approved in March 7, 2012 by the California State Board of Education, the Common Core State Standards (“Common Core”) requires the adoption of new curriculum and the development of technology. The District has developed its own plan for Common Core systems implementation based on local needs and resources.

The 2013-14 State Budget includes provisions for block grants toward the implementation of Common Core. The Common Core block grants can be used for professional development for teachers and other employees involved in the direct instruction of students, instructional materials and the integration of standards through technology. The District is receiving \$5.8 million in funding which must be used over a two year period. To use the Common Core funding the District must develop a plan and present it at a public meeting which, prior to any expenditures, must be adopted by the Board.

**Prop 39 Energy Grant.** Proposition 39, a voter approved initiative at the November 2012 statewide election, provides for annual transfers from the State General Fund to the Clean Energy Job Creation Fund for a period of five years, 2013-14 through 2017-18. The 2013-14 State Budget appropriated \$381 million to K-12 schools with 85 percent of the appropriation to be allocated based on 2012-13 ADA and 15 percent based on 2012-13 free and reduced-priced meals. Proposition 39 funds will be provided to schools to improve energy efficiency and create clean energy jobs. Although the California Department of Education has not completed the Proposition 39 entitlement calculation for the 2013-14 fiscal year, the estimated funding for the District is \$1.6 million.

*State Lottery.* The District receives a portion of the State Lottery (the “Lottery”) revenues. Lottery revenues allocated to the District must be used for the education of students and cannot be used for non-instructional purposes, such as real property acquisition, facility construction, or the financing of research. Lottery net revenues (gross revenues less prizes and administration expenses) are allocated by computing an amount per ADA or full time equivalent (“FTE”). This figure is derived by dividing the total net revenues figures by the total ADA for grades K-12 and by the total FTE for the community colleges, University of California system and the California State University and College system. Each entity receives an amount equal to its total ADA or FTE, as applicable, multiplied by the per ADA or FTE figure. The Lottery revenues for fiscal year 2012-13 were \$4,736,711. As reflected in the District Budget, the District expects to receive approximately \$4,724,060 in Lottery revenues for fiscal year 2013-14.

*Other District Revenues.* The District receives revenue from State, federal and local sources, including grants and funding for specific programs. The District also collects revenues from other local sources such as parcel taxes, developer fees, support from the City of Richmond and certain assessments.

*Developer Fees.* As part of its local revenue income, the District collects development fees as provided under Education Code sections 17620 *et seq.* In order to impose developer fees on new residential construction within the district, the District prepares and adopts a School Facilities Need Analysis annually as required by State law. The law requires all developer fees collected to be applied solely to construction of school facilities and also establishes the maximum fees (adjustable for inflation) which may be collected. Expenditures are restricted by Government Code sections 65970-65981 and are generally limited to those expenditures necessary for the District to provide services to the areas impacted by the development. In prior years, the District collected millions of dollars in developer fees that were applied primarily for capital leases for portable classrooms and as otherwise required by law. Due to the decline in construction and corresponding anticipated decrease in revenue derived from developer fees, the District projects collecting approximately \$55,000 in developer fees during fiscal year 2013-14. However, collection depends on development and the District cannot guarantee that these funds will become available. As of the date of the District’s Unaudited Actuals, the developer’s fees collected were \$138,404.

*Assessment District.* On August 3, 1994, the District completed formation of a Maintenance and Recreation Assessment District (“MRAD”) pursuant to the Landscape and Lighting Act of 1972 and Article XIII D of the California Constitution. This allows the District to levy taxes to support the maintenance and operations of fields and outdoor areas for the purpose of public use. Annual assessments are \$72 per single family equivalents. There are approximately 77,502 defined living units within the MRAD, and the District has received approximately \$5 million annually in assessment revenue, with approximately \$5.6 million estimated in 2013-14. The use of MRAD revenue is restricted to expenditures for recreation, lighting, and landscape operations and maintenance of facilities generally available to the public; it does not count towards the District’s revenue limit and effectively relieves the District from funding many of these expenditures from General Fund revenue. MRAD assessments are levied annually on approval by the Board.

*Parcel Tax.* On June 8, 2004, voters within the District approved a parcel tax to maintain reduced class sizes from kindergarten to third grade, purchase textbooks and teaching materials, attract and retain qualified teachers, aides and counselors, enhance core subjects, restore library services and athletic programs, and improve custodial services (the “Parcel Tax”). The District annually collects 7.2 cents (\$0.072) per square foot of total building area of buildings within the District’s geographic boundaries or \$7.20 per vacant parcel, with annual exemptions (i) for persons who are 65 years of age or older, and, within the passages of Measure G (discussed below) (ii) persons who receive Supplemental Security Income (“SSI”) for a disability regardless of age. The Parcel Tax became effective on July 1, 2004 and was scheduled to expire on June 30, 2009. In November 2008, voters renewed the Parcel Tax, extending the current rate for an additional five years, beginning July 1, 2009 and ending June 30, 2014. On November 6, 2012, the voters of the District approved Measure G which renewed the existing Parcel Tax and extends the current tax rate an additional five years to 2018-19. The District Budget projects Parcel Tax to generate approximately \$9.8 million for fiscal year 2013-14.

*In Bypass 93 Properties, et al. v. West Contra Costa Unified School District,* (Contra Costa County Superior County Case No. C13-00024) the plaintiffs seek to invalidate the imposition of the District’s Parcel Tax approved by the voters through Measure G on November 6, 2012. The lawsuit challenges the 2014-19 collection period. The lawsuit alleges that by imposing (i) an annual tax of 7.2 cents per square foot of total building area of

buildings within the District or (ii) a tax of \$7.20 per unimproved parcels that Measure G violates Government Code section 50079 by not applying the Parcel Tax uniformly to all parcels in the District. The lawsuit further alleges that Measure G is invalid because the Measure G exemptions for qualified seniors and persons receiving SSI require the taxpayer to own and occupy the parcel, which requirements are not set forth in Government Code section 50079. The District is defending the lawsuit to preserve Measure G. The District is not currently able to predict the outcome of the lawsuit or the collection of the Parcel Tax or its possible impact on the District's financial condition. *It should not be inferred from the inclusion of this information relating to the Parcel Tax litigation in this Official Statement that the principal of, or interest on the Bonds is payable from any portion of the Parcel Tax. The Bonds are payable solely from the proceeds of ad valorem taxes required to be levied by the Board of Supervisors of the County in amounts sufficient for the payment of principal and interest on the Bonds.*

**Federal Revenues.** The federal government provides funding for several District programs, including special education programs, programs under the Educational Consolidation and Improvement Act (Title 1), No Child Left Behind funding, specialized programs such as Drug Free Schools and Communities Act of 1989, vocational and technology incentives and various other incentives and pass-through federal sources. As reflected in the District Budget, the District expects to receive approximately \$21.6 million of restricted federal revenues during fiscal year 2013-14.

**Federal Sequestration.** On March 26, 2013, the President signed PL113-6 which provides federal funding for the remainder of fiscal year 2013. Federal sequestration reductions are implemented which results in a 5.23% cut as compared to 2012 funding levels. For the District, this cut resulted in a \$1.2 million reduction in program services. These cuts were planned for as a part of the 2013-14 budget development process.

**District Expenditures**

The largest part of each school district's general fund budget is used to pay salaries and benefits of certificated (credentialed teachers) and classified (non-instructional) employees. Any changes in salaries and benefits from one year to the next are generally based on changes in staffing levels, negotiated salary increases, and the overall cost of employee benefits. As of June 30, 2013, the District estimated that it will expend approximately \$137 million in salaries and benefits, or approximately 90% of its total unrestricted expenditures.

**Labor Relations and Collective Bargaining.** As of June 30, 2013, the District employed 1,651 certificated and 1,298 FTE classified employees, including management and confidential employees.

During the last several years, the District has reduced salary and post-retirement expenses through negotiated concessions with employees. In addition, since 2009-10, employee benefits have been reduced through a tiered cap program which the District estimates has reduced expenditures by \$9.9 million annually. Other measures taken by the District to reduce expenditures, with the cooperation of employee groups, have been the reduction of the District's long-term liability for post-retirement health care. See "Other Post-Employment Benefits" below for additional discussion concerning this issue.

The current collective bargaining agreements with each of the District's four bargaining units are shown in the following table. Such contracts are set to expire as indicated below.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
LABOR ORGANIZATIONS**

<u>Labor Organization</u>	<u>Number of Employees</u>	<u>Contract Expiration</u>
United Teachers of Richmond	1,454 full-and part-time	June 30, 2015
Public Employees Union, Local 1	1,311 full-and part-time	December 31, 2016
School Supervisors Association	82 full-and part-time	June 30, 2015
Administrators Association	83 full-and part-time	June 30, 2015

Source: West Contra Costa Unified School District.

**Retirement Programs.** The District participates in the State Teachers Retirement System (“STRS”). The plan provides retirement, disability and survivor benefits to beneficiaries. This plan covers all full-time certificated employees. Pursuant to Education Code sections 22950 and 22951, the District’s contribution rate is 8.25% of the total creditable compensation earned by each employee enrolled in STRS. In order to receive STRS benefits, an employee must be at least 55 years old and have provided five years of service to State public schools. The District’s annual contributions to STRS for the fiscal years ending June 30, 2010, 2011 and 2012 were \$8,846,010, \$8,409,803 and \$8,544,399, respectively, totaling 100% of the required contributions for each year. In the District Budget, the District estimates that its contribution to STRS for fiscal year 2013-14 will be approximately \$8,644,437.

The District also participates in the State Public Employees Retirement System (“PERS”). The plan provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. This plan covers all classified personnel who are employed more than four hours per day. Unlike the STRS employer contribution rate, which is fixed by statute, the PERS rate varies. PERS implemented a rate hike of an average of 9.6% (which became effective in January 2013) of the total creditable compensation earned by each employee enrolled in PERS. In order to receive PERS benefits, an employee must be at least 50 years old and have provided five years of creditable service in PERS. The District’s annual contributions to PERS for the fiscal years ending June 30, 2010, 2011 and 2012 were \$3,343,635, \$3,775,389 and \$4,213,692, respectively, totaling 100% of the required contributions for each year. In the District Budget, the District estimates that its contribution to PERS for fiscal year 2013-14 will be approximately \$4,523,115.

At its April 17, 2013 meeting, the PERS Board of Administration approved a recommendation to change the PERS amortization and smoothing policies. Prior to this change, PERS employed an amortization and smoothing policy which spread investment returns over a 15-year period with experience gains and losses paid for over a rolling 30-year period. After this change, PERS will employ an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period. The new amortization and smoothing policy will be used for the first time in the June 30, 2013 actuarial valuations. These valuations will be performed in the fall of 2014 and will set employer contribution rates for the fiscal year 2015-16. The District cannot predict how this change in amortization and smoothing policies will affect its contribution levels.

Both STRS and PERS are operated on a statewide basis and, based on available information, both STRS and PERS have unfunded liabilities. The amounts of the pension-award benefit obligation (PERS) or unfunded actuarially accrued liability (STRS) will vary from time to time depending upon actuarial assumptions, rates of return on investments, salary scales, and levels of contribution. STRS and PERS each issue separate comprehensive annual financial reports that include financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from [www.calstrs.com](http://www.calstrs.com) or by written request mailed to STRS, P.O. Box 15275, Sacramento, California 95851-0275, and copies of the PERS annual financial report may be obtained from [www.calpers.ca.gov](http://www.calpers.ca.gov) or by written request mailed to the CalPERS Financial Services Division, P.O. Box 942703, Sacramento, California 94229-2703. The information presented in those reports is not incorporated by reference in this Official Statement.

**Pension Reform Act of 2013 (Assembly Bill 340).** On September 12, 2012, Governor Brown signed AB 340, a bill that will enact the California Public Employees’ Pension Reform Act of 2013 (“PEPRA”) which will amend various sections of the California Education and Government Codes. AB 340 (i) increases the retirement age for new State, school, and city and local agency employees depending on job function, (ii) caps the annual PERS and STRS pension benefit payouts, (iii) addresses abuses of the system, and (iv) requires State, school, and certain city and local agency employees to pay at least half of the costs of their PERS pension benefits. PEPRA will apply to all public employers except the University of California, charter cities and charter counties (except to the extent they contract with PERS.)

The provisions of AB 340 went into effect on January 1, 2013 with respect to new State, school, and city and local agency employees hired on that date and after; existing employees who are members of employee associations, including employee associations of the District, will have a five-year window to negotiate compliance with AB 340 through collective bargaining. If no deal is reached by January 1, 2018, a city, public agency or school district could require employees to pay their half of the costs of PERS pension benefits, up to 8 percent of pay for civil workers and 11 percent or 12 percent for public safety workers.

PERS has predicted that the impact of AB 340 on employers, including the District and other employers in the STRS system, and employees will vary, based on each employer's current level of benefits. To the extent that the new formulas lower retirement benefits, employer contribution rates could decrease over time as current employees retire and employees subject to the new formulas make up a larger percentage of the workforce. This change would, in some circumstances, result in lower retirement benefits than employees currently earn. Additionally, PERS has noted that AB 340 changes may have an adverse impact on public sector recruitment in areas that have historically experienced recruitment challenges due to higher pay for similar jobs in the private sector.

With respect to STRS, for employees hired after January 1, 2013, future members will pay the greater of either (1) at least 50 percent of the cost of their retirement plan, rounded to the nearest one-quarter percent, or (2) the contribution rate paid by current members. The member contribution rate could be increased from this level through collective bargaining or may be adjusted based on other factors. Public employers will pay at least the normal cost rate, after subtracting the member's contribution. The District is unable to predict the amount of future contributions it will make to STRS as a result of the implementation of AB 340 (being its future contributions for the normal costs of new employees), and as a result of negotiations with its employee associations, or, notwithstanding the adoption of AB 340, resulting from any legislative changes regarding STRS employer contributions that may be adopted in the future.

More information about AB 340 can be accessed through the PERS's web site at [www.calpers.ca.gov](http://www.calpers.ca.gov), and through the STRS website at [www.calstrs.com](http://www.calstrs.com). The references to these internet websites are shown for reference and convenience only; the information contained within the websites may not be current and has not been reviewed by the District and is not incorporated herein by reference.

The District is unable to predict what the amount of liabilities will be in the future, or the amount of future contributions that the District may be required to pay. See "APPENDIX C—DISTRICT FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2012" for additional information concerning STRS and PERS contained in the notes to said financial statements.

**Other Post-Employment Benefits.** Pursuant to its post-employment retirement program, as set forth in its employee contracts prior to 2007, the District is obligated to provide certain post-employment health benefits to employees that were either (i) hired prior to January 1, 2007 and have attained five years of continuous PERS/STRS creditable service or (ii) hired after January 1, 2007 and have attained ten years of continuous PERS/STRS creditable service with the District. Post employment dental benefits are provided to employees who meet the rule of "75" (the number of years worked plus age equals 75 or more). The extent of the District's obligations is dependent on the retirement date for the qualifying employee. For employees that retired prior to January 1, 2007, the District pays 100% of medical and dental costs (subject to certain limitations) for the employee and his or her qualified dependents. For employees retiring after January 1, 2007, the District pays medical and dental benefits based on the negotiated terms as of the employee's retirement date.

Commencing in 2007, the District negotiated stricter upper limits and eligibility requirements for post-employment benefits in its employment agreements including the four collective bargaining agreements described above. See "—Labor Relations and Collective Bargaining." Under said agreements: (i) employees retiring prior to June 30, 2010 with ten years of continuous PERS/STRS creditable service with the District are entitled to retire under the practice in place prior to the new restrictions; (ii) employees hired prior to January 1, 2007 and retiring after June 30, 2010, will be entitled to a maximum monthly District contribution depending on years of service with the District (\$450 per month for employees with ten years or more of continuous PERS/STRS creditable service, and \$750 per month for employees with twenty years or more of continuous PERS/STRS creditable service); and (iii) employees hired after January 1, 2007 and retiring with ten years or more of continuous PERS/STRS creditable service with the District will be entitled to a District contribution based on the CalPERS Health Benefits Program's minimum allowable monthly unequal contribution with no payments for prescription, vision, or dental coverage.

During the last several years, the Board has taken action, with the cooperation of employee groups, to reduce the District's long term liability for post-employment health care. In the District's 2008 actuarial study it was determined that the Governmental Accounting Standards Board ("GASB 45") liability was \$495 million. However, according to the most recent actuarial study completed in 2012, with the implementation of several



negotiated retiree benefit provisions, the District's GASB 45 liability has been reduced to \$369 million. This reduction results in a long term savings to the District of \$181 million. To offset its annual GASB 45 liability, the District maintains an irrevocable trust fund in the amount of \$13.9 million. The District estimated GASB 45 annual required contribution for fiscal years 2012-13 and 2013-14 are approximately \$23.4 million and \$24.5 million respectively.

***Annual OPEB Cost and Net OPEB Obligation.*** The District's most recent actuarial valuation report (the "Actuarial Report") of post employment benefits is dated July 1, 2012. The Actuarial Report is available on the website. The information on the website and/or in the Actuarial Report is of incorporated herein by reference. The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (the "ARC"), an amount actuarially determined in accordance with GASB 45. The ARC consists of the Normal Cost (defined below) plus the current year amortization of the Unfunded Actuarial Accrued Liability ("UAAL"). The amortization method used in the Actuarial Report is the level percentage of projected payroll method. The District elected to amortize the UAAL over a closed 30-year period. Five years of amortization have occurred; 25 years remain.

Normal Cost is the portion of the actuarial present value of future benefits that is allocated to a particular year. Another interpretation is that the Normal Cost is the present value of future benefits that are "earned" by employees for service rendered during a current year. This valuation is based on the Entry Age Normal actuarial cost method. Under the Entry Age Normal cost method the actuarial present value of projected benefits is allocated on a level basis over the earnings of individuals between entry age and the assumed exit age(s). In the Actuarial Report each individual's attribution period extends from hire date to estimated retirement date. The Actuarial Report attributes the benefit assuming a 3.25% annual increase in payroll.

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The table below presents a five-year projection under the assumptions that the District continues pay-as-you-go funding, the discount rate is 4.50% and the Normal Cost component of the ARC increases by 3.00% per year.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT**  
**Five-year Projection of Annual OPEB Cost and Net OPEB Obligation<sup>(1)(2)</sup>**

	2012-13	2013-14	2014-15	2015-16	2016-17
Actuarial Accrued Liability (AAL)	\$364,528,416	\$369,355,868	\$373,769,413	\$378,119,131	\$382,322,949
Actuarial Value of Assets at beginning of year	0	0	0	0	0
Unfunded Actuarial Accrued Liability (UAAL)	364,528,416	369,355,868	373,769,413	378,119,131	382,322,949
Remaining Amortization Period	25	24	23	22	21
Normal Cost	\$ 5,829,048	\$ 6,003,919	\$ 6,184,037	\$ 6,369,558	\$ 6,560,645
Amortization of UAAL	17,538,052	18,405,216	19,324,238	20,320,246	21,400,669
Annual Required Contribution (ARC)	<u>\$ 23,367,100</u>	<u>\$24,409,135</u>	<u>\$25,508,275</u>	<u>\$26,689,804</u>	<u>\$27,961,314</u>
Annual Required Contribution (ARC)	\$ 23,367,100	\$24,409,135	\$25,508,275	\$26,689,804	\$27,961,314
Interest on net OPEB Obligation	4,037,326	4,310,090	4,586,008	4,881,995	5,196,005
Adjustment to ARC	(4,316,495)	(4,772,762)	(5,268,911)	(5,830,222)	(6,463,296)
Annual OPEB Cost	<u>\$23,087,931</u>	<u>\$23,946,463</u>	<u>\$24,825,372</u>	<u>\$25,741,577</u>	<u>\$26,694,023</u>
District Contribution	(17,026,494)	(17,814,962)	(18,247,883)	(18,763,566)	(19,368,431)
Increase in net OPEB Obligation	<u>\$ 6,061,437</u>	<u>\$ 6,131,501</u>	<u>\$ 6,577,489</u>	<u>\$ 6,978,011</u>	<u>\$ 7,325,592</u>
Net OPEB Obligation – Beginning of year	89,718,345	95,779,782	101,911,283	108,488,772	115,466,783
Net OPEB Obligation – End of year	95,779,782	101,911,283	108,488,772	115,466,783	122,792,375
Projected pay-as-you-go Retiree Cost	17,026,494	17,814,962	18,247,883	18,763,566	19,368,431

<sup>(1)</sup> The ARC adjustment is calculated by dividing the beginning of year net OPEB obligation by the same amortization factor used to amortize the Unfunded Actuarial Accrued Liability.

<sup>(2)</sup> Table assumes funding equal to projected retiree premium costs.

Source: West Contra Costa Unified School District.

For fiscal year 2011-12 information on annual OPEB cost and obligations, see APPENDIX C DISTRICT FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2012-Note 9.

**Health Care Reform.** The District expects the Federal Health Care Reform or the Affordable Care Act will have enactment provisions during the 2013-14 school year. Federal law provides that in January 2014 the District must comply with new regulations regarding the availability and affordability of health care programs for all employees. It has been reported that there will be a one year delay in the penalty component of the new law. The Affordable Care Act requires employers to ascertain the eligibility of employees through a “measurement period” defined in federal law. There are multiple measures depending upon hire date and stability of hours worked for employees. During the 2013-14 school year the District expects to work with a consultant to perform the required study to determine the costs to the District of the Affordable Care Act.

**Insurance.** The District is self-insured for property and liability claims. For accounting and reporting purposes, the District has established a Self-Insurance Fund for the payment of claims. For Fiscal year ended June 30, 2012, the District provided coverage up to a maximum of \$100,000 for each property or liability claim. The District participates in a joint powers authority for claims in excess of coverage provided in the Self-Insurance Fund. For additional information relating to the District’s insurance coverage see “APPENDIX C – DISTRICT FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2012 – Note 5 and Note 10.”

**School District Budget Process**

The District is required by provisions of the State Education Code to maintain a balanced budget in each fiscal year, in which the sum of expenditures and the ending fund balance cannot exceed the sum of revenues and

the carry-over fund balance from the previous year. The State Department of Education imposes a uniform budgeting and accounting format for school districts.

School districts must adopt a budget no later than June 30 of each year. The District must submit its budget to the State Superintendent within five days of adoption or by July 1, whichever occurs first. The District follows a single budget adoption cycle, which means its budget is only readopted if it is disapproved or as otherwise needed. The District is under the jurisdiction of the Contra Costa County Superintendent of Schools. The District's Adopted Budget for Fiscal Year 2013-14 was adopted by the Board on June 26, 2013.

A County Superintendent of Schools must review and approve or disapprove the budgets for each school district under its jurisdiction no later than August 15. The County Superintendent of Schools is required to examine a school district's adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. If a budget is disapproved, it is returned to the school district with recommendations for revision. The school district is then required to revise the budget, hold a public hearing thereon, adopt the revised budget and file it with the County Superintendent of Schools no later than September 8. Pursuant to State law, the County Superintendent of Schools has available various remedies by which to impose and enforce a budget that complies with State criteria, depending on the circumstances, if a budget is disapproved. After approval of an adopted budget, the school district's administration may submit budget revisions for governing board approval.

Subsequent to approval, the County Superintendent of Schools will monitor each school district in its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the district can meet its current and subsequent year financial obligations. If the County Superintendent of Schools determines that the district cannot meet its current or subsequent year obligations, the County Superintendent of Schools will notify the district's governing board of the determination and may then do either or both of the following: (a) assign a fiscal advisor to enable the district to meet those obligations or (b) if a study and recommendations are made and a district fails to take appropriate action to meet its financial obligations, the County Superintendent will so notify the State Superintendent of Public Instruction, and then may do any or all of the following for the remainder of the fiscal year: (i) request additional information regarding the district's budget and operations; (ii) develop and impose, after also consulting with the district's governing board, revisions to the budget that will enable the district to meet its financial obligations; and (iii) stay or rescind any action inconsistent with such revisions. However, the County Superintendent of Schools may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the County Superintendent of Schools assumed authority.

At minimum, school districts file with their County Superintendent and the State Department of Education a First Interim Financial Report by December 15 covering financial operations from July 1 through October 31 and a Second Interim Financial Report by March 15 covering financial operations from November 1 through January 31. Section 42131 of the Education Code requires that each interim report be certified by the school board as either (a) "positive," certifying that the district, "based upon current projections, will meet its financial obligations for the current fiscal year and subsequent two fiscal years," (b) "qualified," certifying that the district, "based upon current projections, may not meet its financial obligations for the current fiscal year or two subsequent fiscal years," or (c) "negative," certifying that the district, "based upon current projections, will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year." A certification by a school board may be revised by the County Superintendent. If either the first or second interim report is not "positive," the County Superintendent may require the district to provide a third Interim Financial Report covering financial operations from February 1 through April 30 by June 1. If not required, a third interim report is not prepared. Each interim report shows fiscal year to date financial operations and the current budget, with any budget amendments made in light of operations and conditions to that point.

Information concerning the District's operations and financials is provided as supplementary information only, and it should not be inferred from its inclusion in this Official Statement that debt service on the Bonds is payable from or in any way secured by the District's general fund. Furthermore, the general fund and operating data provided is excerpted from the District's adopted audited financials and interim financial reports, complete copies of which are available on the District's website at [www.wccusd.net](http://www.wccusd.net), under the link "Budget Information."

**Current Budget and Projections.** The following table shows the 2012-13 Adopted Budget, the 2012-13 Unaudited Actuals, the 2013-14 Adopted Budget and 2013-14 Budget Revision. The District adopted the 2013-14 Budget on June 26, 2013, adopted the 2013-14 Budget Revision on July 24, 2013 and adopted the 2012-13 Unaudited Actuals on September 11, 2013.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
SUMMARY OF GENERAL FUND  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FISCAL YEAR 2012-13 BUDGET, 2012-13 UNAUDITED ACTUALS, 2013-14 BUDGET  
AND 45 DAY BUDGET REVISION**

	<u>Original Adopted Budget 2012-13</u>	<u>Unaudited Actuals 2012-13</u>	<u>Original Adopted Budget 2013-14</u>	<u>45 Day Budget Revision</u>
<b>REVENUES</b>				
Revenue Limit Sources/LCFF	\$148,224,578	\$149,957,871	\$157,125,731	\$163,599,020
Federal Revenue	25,780,824	25,624,711	21,628,239	21,628,239
Other State Revenue	56,493,658	60,899,441	56,190,874	56,190,874
Other Local Revenue	20,507,475	22,073,894	20,473,160	20,473,160
Total Revenues <sup>(1)</sup>	<u>251,006,535</u>	<u>258,555,917</u>	<u>255,418,004</u>	<u>261,891,293</u>
<b>EXPENDITURES</b>				
Certificated Salaries	102,999,261	105,317,912	106,185,882	107,785,882
Classified Salaries	40,963,091	41,534,667	41,344,268	41,344,268
Employee Benefits	62,107,767	61,417,930	62,533,151	62,591,000
Books and Supplies	10,274,961	9,380,887	7,635,705	7,635,705
Contract Services and Operating Expenditures	46,193,996	45,764,340	48,007,987	48,517,987
Capital Outlay	3,869,298	532,720	3,690,450	3,690,450
Other Outgo	974,967	1,187,364	985,867	985,867
Indirect Cost Reimbursement	(638,442)	(527,197)	(667,024)	(667,024)
Total Expenditures <sup>(1)</sup>	<u>266,744,899</u>	<u>264,608,623</u>	<u>269,716,286</u>	<u>271,884,135</u>
Excess of Revenues Over (Under) Expenditures	<u>(15,738,364)</u>	<u>(6,052,706)</u>	<u>(14,298,282)</u>	<u>(9,992,842)</u>
Other Financing Sources/(Uses)				
Transfers In	5,779,684	3,796,819	5,800,000	-
Transfers Out	-	(1,815,654)	-	(1,312,584)
Total <sup>(1)</sup>	<u>5,779,684</u>	<u>1,981,165</u>	<u>5,800,000</u>	<u>(1,312,584)</u>
Net Change Fund in Balance	<u>(9,958,680)</u>	<u>(4,071,540)</u>	<u>(8,498,282)</u>	<u>(11,305,426)</u>
Beginning Fund Balance July, 1	<u>42,114,159</u>	<u>49,431,513</u>	<u>37,078,214</u>	<u>45,359,972<sup>(3)</sup></u>
Ending Fund Balance, June 30	<u>\$ 32,155,479</u>	<u>\$ 45,359,973</u>	<u>\$ 28,579,932</u>	<u>34,054,546</u>
Unrestricted Fund Balance	\$ 17,252,548	\$ 23,376,078	\$ 21,268,419	-
Reserve for Economic Uncertainty	8,002,347	7,992,728	8,091,489	8,195,901
Special Reserve Fund Balance <sup>(2)</sup>	10,654,330	11,669,725	6,888,143	11,669,725 <sup>(3)</sup>

<sup>(1)</sup> Totals may not add due to independent rounding.

<sup>(2)</sup> Since fiscal year 2011, the District Board managed State of California budget cuts by setting aside additional reserves to prepare for additional State funding cuts. The Special Reserve Fund is the fund in which the Board deposited reserves for cuts threatened by the State.

<sup>(3)</sup> Fund Balance updated to Unaudited Actuals.

Source: West Contra Costa Unified School District.

## District Comparative Financial Statements

**Accounting Practices.** The accounting practices of the District conform to generally accepted accounting principles in accordance with policies and procedures of the California School Accounting Manual. This manual, according to Section 41010 of the California Education Code, is to be followed by all California school districts. The financial resources of the District are divided into separate funds for which separate accounts are maintained for recording cash, other resources and all related liabilities, obligations and equities. The major fund classification is the general fund which accounts for all financial resources not required to be accounted for in another fund. The District's fiscal year begins on July 1 and ends on June 30. All governmental funds and fiduciary funds are maintained on the modified accrual basis of accounting. As such, revenues are recognized when they become susceptible to accrual, that is, both measurable and available to finance expenditures for the current period. For more information on the District's accounting method, see Note 1 of "APPENDIX C – DISTRICT FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2012" attached hereto.

**Financial Statements.** The District's Audited Financial Statements for the fiscal year ending fiscal year 2011-12 were prepared by Crowe Horwath LLP Sacramento, California (the "Auditor"). Audited financial statements for the District for the fiscal year ended June 30, 2012 and prior fiscal years are on file with the District and available for public inspection at the Superintendent's Office. See Appendix C hereto for the 2011-12 Audited Financial Statements. Copies of such financial statements will be mailed to prospective investors and their representatives upon written request to the District. The District has not requested nor did the District obtain permission from the Auditor to include the audited financial statements as an Appendix to this Official Statement. Accordingly, the Auditor has not performed any post-audit review of the financial condition or operations of the District.

The following table shows the audited general fund revenues, expense and changes for the District for the 2007-08 through 2011-12 fiscal years.

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**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
GENERAL FUND - REVENUES, EXPENDITURES AND FUND BALANCES  
FISCAL YEARS 2007-08 THROUGH 2011-12 (AUDITED)**

	<u>2007-08 Actual<sup>(1)</sup></u>	<u>2008-09 Actual<sup>(1)</sup></u>	<u>2009-10 Actual<sup>(1)</sup></u>	<u>2010-11 Actual<sup>(1)</sup></u>	<u>2011-12 Actual<sup>(1)</sup></u>
<b>REVENUES</b>					
Revenue Limit Sources	\$166,817,807	\$161,899,365	\$142,320,077	\$147,914,626	\$147,846,255
Federal Revenue	25,621,521	33,497,975	31,062,400	32,744,652	33,510,605
Other State Revenue	71,167,149	66,992,666	63,976,273	63,859,239	63,344,038
Other Local Revenue	21,327,703	20,821,034	20,199,980	22,034,729	22,418,641
Total Revenues <sup>(2)</sup>	<u>284,934,180</u>	<u>283,211,040</u>	<u>257,558,730</u>	<u>266,553,246</u>	<u>267,119,539</u>
<b>EXPENDITURES</b>					
Certificated Salaries	121,060,184	120,290,735	110,694,305	105,990,977	106,626,682
Classified Salaries	44,592,168	41,418,183	37,823,881	38,983,802	41,184,114
Employee Benefits	66,089,445	69,075,209	60,199,786	58,161,626	61,331,324
Books and Supplies	12,340,626	8,843,494	9,912,409	11,369,314	10,708,520
Contract Services and Operating Expenditures	41,425,355	39,283,607	43,130,953	41,059,033	42,511,674
Capital Outlay	889,702	457,520	1,248,554	331,905	575,432
Other Outgo	51,834	41,903	33,137	51,428	29,617
Indirect Cost Reimbursement	(802,241)	-	-	-	-
Debt Service					
Principal	790,000	1,415,000	2,374,214	3,070,914	6,201,110
Interest and Other	-	-	241,250	686,475	366,167
Total Expenditures <sup>(2)</sup>	<u>286,437,073</u>	<u>280,825,651</u>	<u>265,658,489</u>	<u>259,705,474</u>	<u>269,534,640</u>
Excess of Revenues Over/(Under) Expenditures	<u>(1,502,893)</u>	<u>2,385,389</u>	<u>(8,099,759)</u>	<u>6,847,772</u>	<u>(2,415,101)</u>
Other Financing Sources/(Uses)					
Transfers In	2,839,820	916,428	1,731,887	2,700,512	8,446,212
Transfers Out	(3,551,157)	(794,836)	(926,928)	-	-
Proceeds from the issuance of long-term liabilities	-	-	-	-	-
Total <sup>(2)</sup>	<u>(711,337)</u>	<u>121,592</u>	<u>804,959</u>	<u>2,700,512</u>	<u>8,446,212</u>
Net Change in Fund Balance	<u>(2,214,230)</u>	<u>2,506,981</u>	<u>(7,294,800)</u>	<u>9,548,284</u>	<u>6,031,111</u>
Beginning Fund Balance July, 1	48,053,996	45,839,766	48,346,747	47,354,945	56,903,229
Ending Fund Balance, June 30	<u>\$45,839,766</u>	<u>\$48,346,747</u>	<u>\$41,051,947</u>	<u>\$56,903,229</u>	<u>\$62,934,340</u>

<sup>(1)</sup> Excerpted from the District's respective Audited Financial Reports.

<sup>(2)</sup> Totals may not add due to independent rounding.

Source: West Contra Costa Unified School District.

## Revenue Limit and LCFF

Since Fiscal Year 1973-74, California public school districts have operated under general purpose revenue limits established by the State Legislature. In general, the revenue limits were calculated for each school district by multiplying (1) the ADA for each such district by (2) a base revenue limit per unit of ADA. The revenue limit calculations are adjusted annually in accordance with a number of factors designed primarily to provide cost of living increases and to equalize revenues among all school districts in the State of the same type. See "DISTRICT FINANCIAL INFORMATION – State Funding of School Districts" in this Appendix A. The 2013-14 State Budget established a new funding formula, the LCFF, for school districts and county offices of education to increase local control and flexibility, reduce State bureaucracy and to ensure that student needs drive the allocation of resources. The LCFF replaces the prior revenue limit funding system and most categorical programs, and distributes combined resources to school districts through a Base Grant per unit of ADA with additional supplemental funding allocated to local educational agencies that serve English language learners and economically disadvantaged students, provide lower class sizes in grades K-3, or offer career technical education classes in high school. The District has estimated additional revenue of about \$21.4 million it will receive pursuant to the LCFF compared to the prior revenue limit funding model see "STATE OF CALIFORNIA FISCAL ISSUES – Local Control Funding Formula" in the body of this Official Statement for additional information regarding the LCFF.

The following table sets forth the District's funded revenue limits per ADA for the Fiscal Years 2008-09 through 2013-14. For Fiscal Year 2011-12 and 2012-13 the District's base funded revenue limit per unit of ADA were \$5,167 and \$5,223, respectively. For Fiscal Year 2013-14, the District estimates that its LCFF funding revenue limit per unit of ADA is \$6,810.

### WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT Funded Revenue Limit/LCFF Funding Formula per ADA Fiscal Years 2008-09 through 2013-14

<u>Fiscal Year</u>	<u>Funded Revenue Limit/ LCFF Funding Formula</u>
2008-09	\$5,428
2009-10	5,216
2010-11	5,309
2011-12	5,167
2012-13	5,223 <sup>(1)</sup>
2013-14 (LCFF)	6,810 <sup>(1)(2)</sup>

<sup>(1)</sup> Estimated.

<sup>(2)</sup> The Local Control Funding Formula per ADA amount includes dollars that were previously provided to the District in the form of grants and accounted for in the restricted categories. Therefore the per ADA figure is higher than the traditional Funded Revenue Limit model.

In Fiscal Year 2011-12, the District received approximately \$147.8 million from revenue limit sources, accounting for approximately 55.3% of its total General Fund revenues. For Fiscal Years 2012-13, the District estimates \$150 million of revenue limit source income which is approximately 58% of its total estimated General Fund revenues. Beginning in Fiscal Year 2013-14, the funding is determined pursuant to the LCFF and comprised of (1) local property tax, (2) Education Protection Account ("EPA") receipts and (3) State aid. Utilizing the LCFF transition funding formula, in Fiscal Year 2013-14, the District expects to receive approximately \$59 million in local property tax, approximately \$27 million in EPA receipts and approximately \$105 million in State aid for a total of approximately \$190 million of LCFF funding formula revenues, which is approximately 75% of total budgeted General Fund revenues.

## District Debt Structure

**General Obligation Bonds.** The District has outstanding general obligation bonds issued under five different voter-approved authorizations. Following the issuance of the Bonds described in the body of the Official Statement and in this Appendix A, the District will have outstanding general obligation bonds under six voter-approved authorizations, as further described in the paragraph below. Since 1998, voters have authorized the

District to issue up to \$1.63 billion of general obligation bonds. Moreover, in November 2012 the voters authorized an additional \$360 million aggregate principal amount of general obligation bonds, a portion of which will be issued and sold via this Official Statement. The District has approximately \$776.7 million of general obligation bonds currently outstanding, including bonds issued to refund all or portions of certain series of bonds.

On June 2, 1998, the District received voter approval, through a bond measure known as Measure E, which required 2/3% voter approval by a vote of 75% approval, to issue up to \$40 million in general obligation bonds to fund various capital improvement programs and to construct a middle school (the "1998 Authorization"). The bonds of the 1998 Authorization were issued in four separate series and were refunded with proceeds of the District's 2001 General Obligation Refunding Bonds, Series A and Series B (the "2001 Refunding Bonds, Series A" and the "2001 Refunding Bonds, Series B").

On November 7, 2000, the District received voter approval, through a bond measure known as Measure M, which required 55% approval, by a vote of 77.5% approval, to issue up to \$150 million in general obligation bonds to renovate elementary schools (the "2000 Authorization"). The bonds of the 2000 Authorization were issued in three series (the "Series 2000A Bonds," "Series 2000B Bonds" and "Series 2000C Bonds"). In September of 2009, the District issued its 2009 General Obligation Refunding Bonds (the "2009 Refunding Bonds") to refund a portion of the then outstanding (i) Series 2000A Bonds, (ii) Series 2000B Bonds, (iii) Series 2005A Bonds (described below) and (iv) Series 2005B Bonds (described below). A portion of the Series 2000C Bonds was refunded in 2011, as further described in the paragraph below.

On March 5, 2002, the District received voter approval, through a bond measure known as Measure D, which required 55% approval, by a vote of 71.8% approval, to issue up to \$300 million in general obligation bonds to continue renovating the District's elementary schools and to renovate secondary schools (the "2002 Authorization"). The bonds of the 2002 Authorization were issued in four series (the "Series 2002A Bonds," "Series 2002B Bonds," "Series 2002C Bonds," and "Series 2002D Bonds"). In August 2011, the District issued its 2011 General Obligation Refunding Bonds (the "2011 Refunding Bonds") to refund a portion of the then outstanding (i) Series 2000C Bonds, (ii) Series 2002A Bonds, and (iii) Series 2002B Bonds.

On November 8, 2005, the District received voter approval, through a bond measure known as Measure J, which required 55% approval, by a vote of 56.7% approval, to issue up to \$400 million in general obligation bonds to continue repairing all District facilities and to improve classroom safety and technology (the "2005 Authorization"). The District has issued approximately \$322,409,708.50 of the bonds of the 2005 Authorization in six series (the "Series 2005A Bonds," "Series 2005B Bonds," "Series 2009C-1 Bonds," "Series 2009C-2 Bonds," "Series D-1 Bonds," and "Series D-2 Bonds"). The Series 2009C-2 Bonds were issued as Build America Bonds authorized under the American Recovery and Reinvestment Act of 2009. The Series 2009D-1 Bonds were issued as Qualified School Construction Bonds and the District expects to receive on or about February 1 and August 1 of each year, a cash subsidy from the United States Department of the Treasury ("Treasury") relative to the interest payable on such bonds by the District, until the last of the Series 2009D-1 Bonds matures on August 1, 2024. A portion of the proceeds of the District's 2009 Refunding Bonds was used to refund a portion of the Series 2005A Bonds and the Series 2005B Bonds. Approximately \$77.6 million remains authorized and unissued under the 2005 Authorization.

On June 8, 2010, the District received voter approval, through a bond measure known as Measure D, which required 55% approval, by a vote of 62.6% approval, to issue up to \$380 million in general obligation bonds to continue renovating and rebuilding the District's elementary and secondary schools (the "2010 Authorization"). On November 22, 2011, the District issued \$100 million of bonds under the 2010 Authorization, consisting of its Series 2010A Bonds and its Series 2010A-1 Bonds. The Series 2010A-1 Bonds were issued as Qualified School Construction Bonds and the District expects to receive on or about February 1 and August 1 of each year, a cash subsidy from the Treasury relative to the interest payable on such bonds by the District, until the last of the Series 2010A-1 Bonds matures on August 1, 2030. Proceeds of the sale of the Series B Bonds under the 2010 Authorization will in the amount of \$40\* million be issued to continue repairing all District facilities.

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\* Preliminary, subject to change.



On November 6, 2012, the District received voter approval, through a bond measure known as Measure E, which required 55% approval, by a vote of 64.4% approval to issue up to \$360 million in general obligation bonds to continue renovating and rebuilding the District's elementary and secondary schools (the "2012 Authorization"). The proposed issuance of \$ the \$85\* million aggregate principal amount of West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2012, Series A will be the first series of bonds issued under the 2012 Authorization.

The bonds issued under each of the Authorizations described above, including refunding bonds, are issued on a parity basis payable from an unlimited tax upon all property subject to taxation within the District. The County Board of Supervisors is empowered and obligated to levy such tax for the repayment of such bonds. No assurance can be given with respect to the future financial condition of the District or any actions that may or may not be taken in connection with any future financial condition. The financial condition of the District, however, does not impact the obligation of the Board of Supervisors of the County to levy *ad valorem* taxes for the payment of amounts due in connection with the Bonds. See "SECURITY FOR THE BONDS" and "TAX BASE FOR REPAYMENT OF THE BONDS - AD VALOREM Property Taxation" in the body of this Official Statement.

Under Education Code section 15106, with respect to bonds under the 1998 Authorization and the 2000 Authorization, and under Education Code section 15270, with respect to bonds under the 2002 Authorization, 2005 Authorization, 2010 Authorization and the 2012 Authorization the amount of general obligation bond indebtedness that the District, as a unified school district, can issue is limited to 2.5% of the assessed value of all taxable property within the District. However, the District has requested and been granted three waivers of this limit by the California State Board of Education (the "SBE"). In May 2009, the SBE granted a waiver (the "2009 Waiver") allowing the District to issue general obligation bonds in an amount not to exceed 3.5% of the assessed value of taxable property within the District. The 2009 Waiver is authorized for a period beginning May 7, 2009 and ending May 7, 2014. On March 11, 2011, the SBE granted a second waiver (the "2011 Waiver"), thereby allowing the District to issue general obligation bonds in an amount not to exceed 5% of the assessed value of taxable property within the District. The 2011 Waiver applies only to bonds issued pursuant to the 2010 Authorization between March 11, 2011 and December 31, 2021. In May 2013, the SBE granted a third waiver (the "2013 Waiver"), thereby allowing the District to issue general obligation bonds in an amount not to exceed 5% of the assessed value of taxable property within the District. The 2013 Waiver applies only to bonds issued pursuant to the 2012 Authorization between May 9, 2013 and December 31, 2025.

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\* Preliminary, subject to change.

The following table reflects the District's outstanding general obligation bonds, as of October 1, 2013.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
OUTSTANDING GENERAL OBLIGATION BONDS  
AS OF OCTOBER 1, 2013**

Authorization / Series Name	Issue Date	Final Maturity (August 1)	Original Issue Amount	Principal Outstanding
<b>1998 Authorization (\$40 million)</b>				
2001 Refunding Bonds, Series A <sup>(1)</sup>	Nov. 6, 2001	2025	\$28,610,000	\$17,255,000
2001 Refunding Bonds, Series B <sup>(1)</sup>	Nov. 6, 2001	2024	10,255,000	6,375,000
<b>2000 Authorization (\$150 million)</b>				
2009 Refunding Bonds <sup>(2)</sup>	Sept. 3, 2009	2018	47,215,000	31,135,000
2011 Refunding Bonds <sup>(3)</sup>	Aug. 25, 2011	2024	33,960,000	28,635,000
2012 Refunding Bonds <sup>(5)</sup>	July 10, 2012	2032	40,370,000	40,370,000
<b>2002 Authorization (\$300 million)</b>				
Series 2002C Current Interest Bonds	Aug. 11, 2004	2034	40,000,000	24,640,000
Series 2002C Capital Appreciation Bonds <sup>(4)</sup>	Aug. 11, 2004	2034	29,999,377	26,783,541
Series 2002D Capital Appreciation Bonds <sup>(4)</sup>	Oct. 19, 2005	2034	99,998,106	88,289,681
2011 Refunding Bonds <sup>(3)</sup>	Aug. 25, 2011	2024	51,605,000	48,705,000
2012 Refunding Bonds <sup>(5)</sup>	July 10, 2012	2032	57,830,000	57,830,000
<b>2005 Authorization (\$400 million)</b>				
Series 2005A Bonds <sup>(2)</sup>	May 17, 2006	2035	70,000,000	60,735,000
Series 2005B Bonds <sup>(2)</sup>	July 15, 2008	2035	120,000,000	115,025,000
Series 2005C Capital Appreciation Bonds <sup>(4)</sup>	Aug. 12, 2009	2033	52,084,759	52,084,759
Series 2005C Build America Bonds	Aug. 12, 2009	2034	52,825,000	52,825,000
2009 Refunding Bonds <sup>(3)</sup>	Aug. 12, 2009	2031	10,645,000	10,645,000
Series D-1 Qualified School Construction Bonds	June 24, 2010	2024	25,000,000	25,000,000
Series D-2 Capital Appreciation Bonds <sup>(4)</sup>	June 24, 2010	2036	2,499,949	2,499,949
<b>2010 Authorization (\$380 million)</b>				
Series 2010A Bonds	Nov. 22, 2011	2041	79,000,000	66,845,000
Series 2010A-1 Qualified School Construction Bonds	Nov. 22, 2011	2030	<u>21,000,000</u>	<u>21,000,000</u>
<b>TOTAL</b>			<b>\$999,697,191</b>	<b>\$776,677,930</b>

<sup>(1)</sup> The 2001 Refunding Bonds, Series A and B, were issued to refund four series of bonds in the initial aggregate principal amount of \$40,000,000 issued under the 1998 Authorization.

<sup>(2)</sup> The 2009 Refunding Bonds were issued to fully refund the Series 2000A Bonds and Series 2000B Bonds and partially refund the Series 2005A Bonds and Series 2005B Bonds.

<sup>(3)</sup> The 2011 Refunding Bonds were issued to partially refund the Series 2000C Bonds, Series 2002A Bonds, and the Series 2002B Bonds.

<sup>(4)</sup> The outstanding capital appreciation bonds are expressed in terms of original denominational amount; the accreted interest amount is not included.

<sup>(5)</sup> The 2012 Refunding Bonds were issued to refund four series of bonds in the initial aggregated principal amount of \$98,200,000.

Source: West Contra Costa Unified School District.

**Certificates of Participation.** On August 24, 2005, the District caused the execution and delivery of 2005 Taxable Refunding Certificates of Participation (the "Certificates") in the aggregate principal amount of \$10,600,000. Proceeds of the Certificates were used to defease (i) the District's then outstanding 1994 Certificates of Participation, originally issued in the aggregate principal amount of \$11,150,000 and (ii) to defease to maturity certain certificates of participation issued by the District in 1988 (under the District's previous name, the Richmond Unified School District) and with respect to which the District had incurred certain payment defaults. The District has timely made all base rental payments on the Certificates.

The following table shows remaining base rental payments on the Certificates.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
2005 CERTIFICATES**

<b>Year Ending</b>			
<b><u>June 30</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2014	\$525,000	\$400,867	\$925,867
2015	555,000	375,352	930,352
2016-2020	3,205,000	1,434,204	4,639,204
2021-2024	<u>3,630,000</u>	<u>511,395</u>	<u>4,141,395</u>
<b>Total</b>	<b>\$7,915,000</b>	<b>\$2,721,818</b>	<b>\$10,636,818</b>

Source: West Contra Costa Unified School District

**Statement of Direct and Overlapping Debt**

Set forth below is a schedule of direct and overlapping debt prepared by California Municipal Statistics Inc. for debt issued as of October 1, 2013. The table is included for general information purposes only. The District has not reviewed this table for completeness or accuracy and makes no representations in connection therewith. The first column in the table names each public agency which has outstanding debt as of the date of the report and whose territory overlaps the District in whole or in part. The second column shows the percentage of each overlapping agency's assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not shown in the table) produces the amount shown in the third column, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

The schedule generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District. Such long-term obligations generally are not payable from revenues of the District (except as indicated) nor are they necessarily obligations secured by land within the District. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

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**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
DIRECT AND OVERLAPPING DEBT  
As of October 1, 2013**

2013-14 Assessed Valuation: \$22,225,132,320

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 10/1/13</u>	
Bay Area Rapid Transit District	4.228%	\$ 17,262,648	
East Bay Municipal Utility District, Special District No. 1	5.583	1,035,926	
Contra Costa Community College District	15.172	52,183,680	
<b>West Contra Costa Unified School District</b>	<b>100.</b>	<b>775,367,930</b>	(1)
East Bay Regional Park District	6.527	13,248,510	
City of El Cerrito Parcel Tax Obligations	100.	2,170,000	
West Contra Costa Healthcare District Parcel Tax Obligations	90.708	54,374,911	
Richmond Redevelopment Community Facilities District No. 1998-1	100.	3,155,000	
City and County 1915 Act Bonds	100.	<u>25,060,570</u>	
<b>TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</b>		<b>\$943,859,175</b>	
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Contra Costa County General Fund Obligations	15.112%	\$ 42,672,987	
Contra Costa County Pension Obligations	15.112	46,863,185	
Contra Costa Fire Protection District Pension Obligations	4.859	4,856,328	
Alameda-Contra Costa Transit District Certificates of Participation	9.978	2,809,368	
Contra Costa Community College District Certificates of Participation	15.172	118,342	
<b>West Contra Costa Unified School District General Fund Obligations</b>	<b>100.</b>	<b>7,915,000</b>	
City of El Cerrito General Fund Obligations	100.	8,805,000	
City of Hercules Certificates of Participation	94.522	16,059,288	
City of Pinole Pension Obligations	100.	4,757,334	
City of Richmond General Fund Obligations	100.	132,515,000	
City of Richmond Pension Obligations	100.	<u>100,860,133</u>	
<b>TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>		<b>\$368,231,965</b>	
Less: Contra Costa County obligations supported by revenue funds		15,866,287	
City of Richmond obligations supported by port revenues		<u>47,339,300</u>	
<b>TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>		<b>\$305,026,378</b>	
<u>OVERLAPPING TAX INCREMENT DEBT:</u>		\$368,593,359	
<b>GROSS COMBINED TOTAL DEBT</b>		<b>\$1,680,684,499</b>	(2)
<b>NET COMBINED TOTAL DEBT</b>		<b>\$1,617,478,912</b>	

(1) Excludes issue to be sold.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2013-14 Assessed Valuation:

<b>Direct Debt (\$775,367,930)</b> .....	<b>3.49%</b>
Total Direct and Overlapping Tax and Assessment Debt .....	4.25%
<b>Combined Direct Debt (\$783,282,930)</b> .....	<b>3.52%</b>
Gross Combined Total Debt .....	7.56%
Net Combined Total Debt.....	7.28%

Ratios to 2012-13 Redevelopment Incremental Valuation (\$4,889,767,349):

Total Overlapping Tax Increment Debt .....	7.54%
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Source: California Municipal Statistics, Inc.

## APPENDIX B-1

### FORMS OF OPINION OF BOND COUNSEL

*Upon issuance and delivery of the Bonds, Stradling Yocca Carlson & Rauth, Bond Counsel, proposes to render its final approving opinion with respect to the Series A Bonds substantially in the following form:*

\_\_\_\_\_, 2013

Board of Education  
West Contra Costa Unified School District

Members of the Board of Education:

We have examined a certified copy of the record of the proceedings relative to the issuance and sale of \$\_\_\_\_\_ West Contra Costa Unified School District (Contra Costa County, California) Election of 2012 General Obligation Bonds, Series A (the "Bonds"). As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based on our examination as bond counsel of existing law, certified copies of such legal proceedings and such other proofs as we deem necessary to render this opinion, we are of the opinion, as of the date hereof and under existing law, that:

1. Such proceedings and proofs show lawful authority for the issuance and sale of the Bonds pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, a greater than fifty-five percent vote of the qualified electors of the West Contra Costa Unified School District (the "District") voting at an election held on November 6, 2012, and a resolution adopted by the Board of Education of the District (the "Resolution").

2. The Bonds constitute valid and binding general obligations of the District, payable as to both principal and interest from the proceeds of a levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount.

3. Under existing statutes, regulations, rulings and judicial decisions, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that, with respect to corporations, such interest may be included as an adjustment in the calculation of alternative minimum taxable income, which may affect the alternative minimum tax liability of corporations.

4. Interest on the Bonds is exempt from State of California personal income tax.

5. The difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity with respect to such Bonds constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bondowner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Bondowner will increase the Bondowner's basis in the applicable Bond. Original issue discount that accrues to the Bondowner is excluded from the gross income of such owner for federal income tax purposes, is not an item of tax preference for purposes of the

federal alternative minimum tax imposed on individuals and corporations, and is exempt from State of California personal income tax.

6. The amount by which a Bondowner's original basis for determining loss on sale or exchange in the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium, which must be amortized under Section 171 of the Code; such amortizable Bond premium reduces the Bondowner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bondowner realizing a taxable gain when a Bond is sold by the Bondowner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Bondowner. Purchasers of the Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable Bond premium.

The opinions expressed herein may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Resolution and the Tax Certificate relating to the Bonds permit certain actions to be taken or to be omitted if a favorable opinion of Bond Counsel is provided with respect thereto. No opinion is expressed herein as to the effect on the exclusion from gross income of interest (and original issue discount) for federal income tax purposes with respect to any Bond if any such action is taken or omitted based upon the advice of counsel other than ourselves. Other than expressly stated herein, we express no opinion regarding tax consequences with respect to the Bonds.

The opinions expressed herein as to the exclusion from gross income of interest (and original issue discount) on the Bonds are based upon certain representations of fact and certifications made by the District and others and are subject to the condition that the District complies with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Bonds to assure that such interest (and original issue discount) will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The District has covenanted to comply with all such requirements.

It is possible that subsequent to the issuance of the Bonds there might be federal, state, or local statutory changes (or judicial or regulatory interpretations of federal, state, or local law) that affect the federal, state, or local tax treatment of the Bonds or the market value of the Bonds. No assurance can be given that subsequent to the issuance of the Bonds such changes or interpretations will not occur.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases,

Respectfully submitted,

## APPENDIX B-2

*Upon issuance and delivery of the Bonds, Stradling Yocca Carlson & Rauth, Bond Counsel, proposes to render its final approving opinion with respect to the Series B Bonds substantially in the following form:*

\_\_\_\_\_, 2013

Board of Education  
West Contra Costa Unified School District

Members of the Board of Education:

We have examined a certified copy of the record of the proceedings relative to the issuance and sale of \$\_\_\_\_\_ West Contra Costa Unified School District (Contra Costa County, California) Election of 2010 General Obligation Bonds, Series B (the "Bonds"). As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based on our examination as bond counsel of existing law, certified copies of such legal proceedings and such other proofs as we deem necessary to render this opinion, we are of the opinion, as of the date hereof and under existing law, that:

1. Such proceedings and proofs show lawful authority for the issuance and sale of the Bonds pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, a greater than fifty-five percent vote of the qualified electors of the West Contra Costa Unified School District (the "District") voting at an election held on June 8, 2010, and a resolution adopted by the Board of Education of the District (the "Resolution").
2. The Bonds constitute valid and binding general obligations of the District, payable as to both principal and interest from the proceeds of a levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount.
3. Under existing statutes, regulations, rulings and judicial decisions, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that, with respect to corporations, such interest may be included as an adjustment in the calculation of alternative minimum taxable income, which may affect the alternative minimum tax liability of corporations.
4. Interest on the Bonds is exempt from State of California personal income tax.
5. The difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity with respect to such Bonds constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bondowner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Bondowner will increase the Bondowner's basis in the applicable Bond. Original issue discount that accrues to the Bondowner is excluded from the gross income of such owner for federal income tax purposes, is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and is exempt from State of California personal income tax.

6. The amount by which a Bondowner's original basis for determining loss on sale or exchange in the applicable Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium, which must be amortized under Section 171 of the Code; such amortizable Bond premium reduces the Bondowner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bondowner realizing a taxable gain when a Bond is sold by the Bondowner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Bondowner. Purchasers of the Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable Bond premium.

The opinions expressed herein may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Resolution and the Tax Certificate relating to the Bonds permit certain actions to be taken or to be omitted if a favorable opinion of Bond Counsel is provided with respect thereto. No opinion is expressed herein as to the effect on the exclusion from gross income of interest (and original issue discount) for federal income tax purposes with respect to any Bond if any such action is taken or omitted based upon the advice of counsel other than ourselves. Other than expressly stated herein, we express no opinion regarding tax consequences with respect to the Bonds.

The opinions expressed herein as to the exclusion from gross income of interest (and original issue discount) on the Bonds are based upon certain representations of fact and certifications made by the District and others and are subject to the condition that the District complies with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Bonds to assure that such interest (and original issue discount) will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The District has covenanted to comply with all such requirements.

It is possible that subsequent to the issuance of the Bonds there might be federal, state, or local statutory changes (or judicial or regulatory interpretations of federal, state, or local law) that affect the federal, state, or local tax treatment of the Bonds or the market value of the Bonds. No assurance can be given that subsequent to the issuance of the Bonds such changes or interpretations will not occur.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases,

Respectfully submitted,



**APPENDIX C**

**DISTRICT FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2012**

## APPENDIX D

### FORM OF CONTINUING DISCLOSURE CERTIFICATE

THIS CONTINUING DISCLOSURE CERTIFICATE (the "Disclosure Certificate") is executed and delivered by the West Contra Costa Unified School District (the "District") in connection with the issuance and delivery of its \$\_\_\_\_\_ aggregate principal amount of West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2012, Series A (the "Series A Bonds") and the \$\_\_\_\_\_ aggregate principal amount of West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2010, Series B (the "Series B Bonds," and together with the Series A Bonds, the "Bonds. The Bonds are being issued pursuant to two resolutions adopted by the Board of Education of the District on September 25, 2013 (the "Resolution").

**SECTION 1. Purpose of the Disclosure Certificate.** This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with the Rule.

**SECTION 2. Definitions.** In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Disclosure Representative" shall mean the Superintendent or Associate Superintendent of Business Services or either of their designees, or such other officer or employee as the District shall designate in writing from time to time.

"Beneficial Owner" shall mean any person which (a) has or shares the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" shall mean KNN Public Finance, a Division of Zions First National Bank, or any successor Dissemination Agent designated in writing by the District (which may be the District) and which has filed with the District a written acceptance of such designation.

"Holders" shall mean registered owners of the Bonds.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board, which can be found at <http://emma.msrb.org>, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purpose of the Rule in the future.

"Participating Underwriters" shall mean Underwriters as the original Underwriters of the Bonds required to comply with the Rule in connection with offering the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of California.

**SECTION 3. Provision of Annual Reports.**

(a) The District shall, or shall cause the Dissemination Agent upon written direction to, not later than nine months following the end of the District's fiscal year (presently ending on June 30), commencing with the report for the 2013-14 fiscal year, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report shall be provided to the MSRB in an electronic format as prescribed by the MSRB and shall be accompanied by identifying information as

prescribed by the MSRB. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the District may be submitted separately from and later than the balance of the Annual Report if they are not available by the date required above for the filing of the Annual Report.

(b) If the Dissemination Agent is a person or entity other than the District then, not later than fifteen (15) days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the District shall provide the Annual Report to the Dissemination Agent. If by fifteen (15) days prior to such date the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with subsection (a).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), the Dissemination Agent shall file a notice with the MSRB, in the form required by the MSRB.

(d) The Dissemination Agent shall:

(i) confirm the electronic filing requirements of the MSRB for the Annual Reports; and

(ii) promptly after receipt of the Annual Report, file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided the MSRB. The Dissemination Agent's duties under this clause (ii) shall exist only if the District provides the Annual Report to the Dissemination Agent for filing.

(e) Notwithstanding any other provision of this Disclosure Certificate, all filings shall be made in accordance with the MSRB's EMMA system or in another manner approved under the Rule.

SECTION 4. Content of Annual Reports. The District's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the District for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Material financial information and operating data with respect to the District of the type included in the Official Statement in the following categories (to the extent not included in the District's audited financial statements):

1. State funding received by the District for the last completed fiscal year;
2. average daily attendance of the District for the last completed fiscal year;
3. assessed value of taxable property in the District as shown on the most recent equalized assessment roll;
4. property tax levies, collections and delinquencies for the District for the most recently completed fiscal year;
5. top ten property owners in the District for the then-current fiscal year, as measured by secured assessed valuation, the amount of their respective taxable value, and their respective taxable value, and their percentage of total secured assessed value;
6. outstanding District indebtedness; and
7. summary financial information on revenues, expenditures and fund balances for the District's general fund reflecting adopted budget for the current fiscal year.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each such other document so included by reference.

**SECTION 5. Reporting of Significant Events.**

(a) Pursuant to the provisions of this Section 5, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) business days after the event:

1. principal and interest payment delinquencies;
2. unscheduled draws on debt service reserves reflecting financial difficulties;
3. unscheduled draws on credit enhancements reflecting financial difficulties;
4. substitution of credit or liquidity providers, or their failure to perform;
5. issuance by the Internal Revenue Service of proposed or final determinations of taxability or of a Notice of Proposed Issue (IRS Form 5701-TEB);
6. tender offers;
7. defeasances;
8. ratings changes; and
9. bankruptcy, insolvency, receivership or similar proceedings.

Note: for the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Pursuant to the provisions of this Section 5, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in paragraph 5(a)(5), adverse tax opinions or other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. the consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
3. appointment of a successor or additional trustee or the change of the name of a trustee;
4. nonpayment related defaults;
5. modifications to the rights of Owners of the Bonds; and
6. notices of redemption.

(c) Whenever the District obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the District shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the District determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the District shall file a notice of such occurrence with EMMA in a timely manner not more than ten (10) business days after the event.

(e) The District hereby agrees that the undertaking set forth in this Disclosure Certificate is the responsibility of the District and that the Dissemination Agent shall not be responsible for determining whether the District's instructions to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

(g) Any of the filings required to be made under this Section 5 shall be made in accordance with the MSRB's EMMA system or in another manner approved under the Rule.

SECTION 6. Termination of Reporting Obligation. The obligation of the District and the Dissemination Agent under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5.

SECTION 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent (or substitute Dissemination Agent) to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign upon fifteen (15) days written notice to the District. Upon such resignation, the District shall act as its own Dissemination Agent until it appoints a successor. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate and shall not be responsible to verify the accuracy, completeness or materiality of any continuing disclosure information provided by the District. The District shall compensate the Dissemination Agent for its fees and expenses hereunder as agreed by the parties. Any entity succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor Dissemination Agent without the execution or filing of any paper or further act.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances;

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds; and

(d) No duties of the Dissemination Agent hereunder shall be amended without its written consent thereto.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements,

notice of such change shall be given in the same manner as for a Listed Event under Section 5 and the Annual Report for the year in which the change is made should present a comparison between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate. The Dissemination Agent acts hereunder solely for the benefit of the District; this Disclosure Certificate shall confer no duties on the Dissemination Agent to the Participating Underwriters, the Holders and the Beneficial Owners. The District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Dissemination Agent shall have no liability for the failure to report any event or any financial information as to which the District has not provided an information report in format suitable for filing with the Repository. The Dissemination Agent shall not be required to monitor or enforce the District's duty to comply with its continuing disclosure requirements hereunder.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: \_\_\_\_\_, 2013

WEST CONTRA COSTA UNIFIED SCHOOL  
DISTRICT

By: \_\_\_\_\_ [FORM ONLY]  
Associate Superintendent of  
Business Services

Dissemination Agent:

KNN PUBLIC FINANCE

By: \_\_\_\_\_ [FORM ONLY]  
Authorized Officer

**EXHIBIT A-1**

**NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT**

Name of District: WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

Name of Bond Issue: West Contra Costa Unified School District (Contra Costa County, California)  
General Obligation Bonds, Election of 2012, Series A

Date of Issuance: \_\_\_\_\_, 2013

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate relating to the Bonds. The District anticipates that the Annual Report will be filed by \_\_\_\_\_, 20\_\_.

Dated: \_\_\_\_\_

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

By: \_\_\_\_\_ [FORM ONLY]  
Authorized Officer

**EXHIBIT A-2**

**NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT**

Name of District: WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

Name of Bond Issue: West Contra Costa Unified School District (Contra Costa County, California)  
General Obligation Bonds, Election of 2010, Series B

Date of Issuance: \_\_\_\_\_, 2013

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate relating to the Bonds. The District anticipates that the Annual Report will be filed by \_\_\_\_\_, 20\_\_.

Dated: \_\_\_\_\_

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

By: \_\_\_\_\_ [FORM ONLY]  
Authorized Officer



## APPENDIX E

### BOOK-ENTRY ONLY SYSTEM

*The information in numbered paragraphs 1-10 of this Appendix E, concerning The Depository Trust Company, New York, New York ("DTC") and DTC's book-entry system, has been furnished by DTC for use in official statements and the City takes no responsibility for the completeness or accuracy thereof. The City cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners(a) payments of interest or principal with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix E. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC. As used in this Appendix E, "Securities" means the Bonds, "Issuer" means the District and "Agent" means the Paying Agent.*

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Bonds"). The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered security certificate will be issued for each maturity of each series of the Bonds, each in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org). The information on each website is not incorporated by reference as part of this Official Statement.

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by

an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

6. Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments of principal of, premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered as described in the applicable Resolution.

10. The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC as described in the applicable Resolution.

#### **Discontinuation of Book-Entry Only System; Payment to Beneficial Owners**

In the event that the book-entry system is discontinued, the following provisions would also apply: (a) Bonds may be exchanged for a like aggregate principal amount of Bonds or other authorized denominations of the same maturity and interest rate, upon surrender thereof to the Paying Agent; (b) the transfer of any Bond may be registered on the books maintained by the Paying Agent under the applicable Resolution for such purpose only upon the surrender thereof to the Paying Agent together with a duly executed written instrument of transfer in a form approved by the Paying Agent; (c) for every exchange or transfer of Bonds, the Paying Agent shall require the payment by any owner requesting such transfer or exchange of any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer; (d) all interest payments on the Bonds will be made by wire or check mailed by the Paying Agent to the owners thereof to such owner's address as it appears on the registration books maintained by the Paying Agent on the

15th day of the month preceding such Interest Payment Date; and (e) all payments of principal of and any premium on the Bonds will be paid upon surrender thereof to the Paying Agent.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

**The District cannot and does not give any assurances that DTC will distribute to Participants or that Participants or others will distribute to the Beneficial Owners payments of principal of and interest and premium, if any, on the Bonds paid or any redemption or other notices or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. The District is not responsible or liable for the failure of DTC or any Participant or Indirect Participant to make any payments or give any notice to a Beneficial Owner with respect to the Bonds or any error or delay relating thereto.**

Neither the District nor the Paying Agent will have any responsibility or obligation to Participants, to Indirect Participants or to any Beneficial Owner with respect to (i) the accuracy of any records maintained by DTC, any Participant, or any Indirect Participant; (ii) the payment by DTC or any Participant or Indirect Participant of any amount with respect to the principal of or premium, if any, or interest on the Bonds; (iii) any notice that is permitted or required to be given to Holders pursuant to the applicable Resolution; (iv) the selection by DTC, any Participant or any Indirect Participant of any person to receive payment in the event of a partial redemption of the Bonds; (v) any consent given or other action taken by DTC as Bondholder; or (vi) any other procedures or obligations of DTC, Participants or Indirect Participants under the book-entry system.

## APPENDIX F

### CERTAIN ECONOMIC DATA FOR CONTRA COSTA COUNTY

*The following information concerning Contra Costa County (the “County”) is included only for the purpose of supplying general information regarding the community. The Bonds are not a debt of the County.*

The information in this section regarding economic activity within the general area in which the West Contra Costa Unified School District (the “District”) is located is provided as background information only, to describe the general economic health of the region. However, the District encompasses a relatively small area within the County, and the property tax required to be levied by the County to repay the Bonds will be levied only on property located in the District.

#### Introduction

The County was incorporated in 1850 with the City of Martinez as the County Seat. The County is situated northeast of San Francisco, bounded by San Francisco and San Pablo bays to the west and north, the Sacramento River delta to the north, San Joaquin County to the east, and by Alameda County on the south. Ranges of hills effectively divide the County into three distinct regions. The central section of the County is developing from a suburban area into a commercial and financial headquarters center. The eastern part of the County is developing from a rural, agricultural area to a suburban region. The County has extensive and varied transportation facilities – ports accessible to ocean-going vessels, railroads, freeways, and rapid transit lines connecting the areas comprising the County with Alameda County and San Francisco.

The District is located in the western portion of the County. The District serves the cities of El Cerrito, Hercules, Pinole, Richmond and San Pablo; and several unincorporated areas, including the communities of El Sobrante, Kensington and North Richmond. Since the west portion of the County, wherein the District is located, has access to the San Francisco Bay and the San Pablo Bay, it contains much of the County’s heavy industry. The City of Richmond, which is located within the boundaries of the District, is one of three cities within the County that had increased assessed values for fiscal year 2011-12. The increase in assessed values is largely due to the rehabilitation and modernization of many areas of the City of Richmond.

#### Population

The following table summarizes the population statistics for the County and cities within the District for the last five calendar years.

**POPULATION OF CONTRA COSTA COUNTY AND CITIES WITHIN THE WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT <sup>(1)</sup>**

<u>Year</u>	<u>Contra Costa County</u>	<u>City of El Cerrito</u>	<u>City of Hercules</u>	<u>City of Pinole</u>	<u>City of Richmond</u>	<u>City of San Pablo</u>
2009	1,060,435	23,440	24,480	19,383	104,513	31,808
2010	1,047,948	23,538	24,051	18,383	103,661	29,143
2011	1,056,306	23,649	24,153	18,461	104,382	28,931
2012	1,065,117	23,774	24,272	18,560	104,887	29,105
2013	1,074,702	23,910	24,403	18,664	105,562	29,266

<sup>(1)</sup> Excludes population statistics of unincorporated territory within the District.  
Source: *California Department of Finance*, estimates as of January 2013.

## Employment

The following table summarizes historical employment and unemployment in the County during the last five calendar years.

### CONTRA COSTA COUNTY CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ANNUAL AVERAGES

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013<sup>(4)</sup></u>
Civilian Labor Force <sup>(1)</sup>					
Employment	471,300	463,700	469,600	487,600	499,500
Unemployment	<u>53,500</u>	<u>58,700</u>	<u>54,500</u>	<u>48,200</u>	<u>39,100</u>
Total <sup>(2)</sup>	524,800	522,400	524,100	535,800	538,500
Unemployment Rate <sup>(3)</sup>	10.2%	11.2%	10.4%	9.0%	7.3%

<sup>(1)</sup> Based on place of residence.

<sup>(2)</sup> Totals may not add due to rounding.

<sup>(3)</sup> The unemployment rate is calculated using unrounded data.

<sup>(4)</sup> As of June 2013.

Source: *California Employment Development Department, Labor Market Information Division.*

The following table summarizes the number of workers by industry in the County for calendar years 2008 through 2012.

### CONTRA COSTA COUNTY FREMONT-HAYWARD-OAKLAND METROPOLITAN DIVISION Estimated Number of Wage and Salary Workers by Industry<sup>(1)</sup>

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Farm	1,400	1,400	1,400	1,500	1,500
Manufacturing	93,100	82,800	79,700	80,500	80,300
Wholesale Trade	47,600	43,700	41,800	42,100	43,200
Retail Trade	109,400	102,100	100,300	101,100	102,900
Transportation & Public Utilities	35,900	33,200	31,500	32,200	32,900
Information	27,800	25,300	23,600	22,600	22,000
Financial Activities	52,700	48,000	48,200	47,700	48,400
Professional and Business Services	163,300	151,100	152,100	157,300	165,100
Education and Health	132,800	135,600	136,400	137,200	141,000
Leisure and Hospitality	89,100	85,100	85,800	88,200	92,000
Other Services	36,100	34,700	34,900	35,700	36,200
Government	177,200	172,500	165,300	163,900	162,900
Total All Industries <sup>(2)</sup>	<u>1,032,500</u>	<u>970,300</u>	<u>949,800</u>	<u>958,700</u>	<u>981,100</u>

<sup>(1)</sup> Does not include proprietors, self-employed, unpaid volunteers or family workers, domestic workers in households, and persons involved in labor/management trade disputes. Employment reported by place of work. Items may not add to totals due to independent rounding. Not seasonally adjusted.

<sup>(2)</sup> Including those not listed above.

Source: *Labor Market Information Division of the California Employment Development Department.*

The following table summarizes the unemployment rates in Contra Costa County and the cities within the District as of July 2013.

**CONTRA COSTA COUNTY  
CIVILIAN LABOR FORCE UNEMPLOYMENT RATES  
(As of July 2013)<sup>(1)</sup>**

Contra Costa County	7.7%
City of El Cerrito	6.8
City of Hercules	5.5
City of Pinole	5.3
City of Richmond	12.5
City of San Pablo	15.6
State of California	9.3
United States	7.7

<sup>(1)</sup> As of July 2013 and place of residence; calculated based on unrounded data; not seasonally adjusted.

Source: *California Employment Development Department, Labor Market Information Division.*

**Largest Employers**

The following table summarizes the 10 largest employers in Alameda and Contra Costa Counties.

**EAST BAY: ALAMEDA AND CONTRA COSTA COUNTIES  
LARGEST EMPLOYERS**

<u>Employer</u>	<u>Products/Services</u>	<u>Number of East Bay Employees</u>
AT&T Corp	Information	14,407
University of California	Educational Services	13,624
Alameda County	Public Administration	9,611
Contra Costa County	Public Administration	8,707
Safeway Inc.	Retail Trade	7,378
Lawrence Livermore National Laboratory	Professional, Scientific and Technical Services	7,000
Wells Fargo Home Mortgage Inc.	Finance and Insurance	6,889
Kaiser Foundation Hospitals	Health Care and Social Assistance	6,492
Oakland Unified School District	Educational Services	5,570
Lawrence Berkeley National Laboratory	Professional, Scientific and Technical Services	5,000

Source: *East Bay Employers*, as published in 2010 in the Harris InfoSource of Lists.

The following table lists the largest employers within Contra Costa County, including city location and industry.

**CONTRA COSTA COUNTY  
MAJOR EMPLOYERS**

<u>Employer</u>	<u>Location</u>	<u>Industry</u>
BART	Richmond	Transit Lines
Bayer Health Care Phrmctcls	Richmond	Laboratories-Pharmaceutical (Mfrs)
Bio-Rad Laboratories Inc	Hercules	Biological Products (Mfrs)
California State Auto Assn	Walnut Creek	Automobile Clubs
Chevron Corp	San Ramon	Oil Refiners (Mfrs)
Chevron Global Downstream LLC	San Ramon	Marketing Programs & Services
Concord Naval Weapons Station	Concord	Federal Government-National Security
Contra-Costa Regional Med Ctr	Martinez	Hospitals
Department of Veterans Affairs	Martinez	Clinics
Doctors Medical Ctr	San Pablo	Hospitals
John Muir Health Physical Rhb	Concord	Physical Therapists
John Muir Medical Ctr-Walnut	Walnut Creek	Hospitals
Kaiser Permanente	Walnut Creek	Hospitals
Kaiser Permanente	Martinez	Clinics
Kaiser Permanente Martinez Med	Concord	Hospitals
La Raza Market	Richmond	Grocers-Retail
Muirlab	Walnut Creek	Laboratories-Medical
Nordstrom	Walnut Creek	Department Stores
Richmond City Offices	Richmond	Government Offices-City, Village & Twp
San Ramon Regional Medical Ctr	San Ramon	Hospitals
Shell Oil Prod	Martinez	Oil Refiners (Mfrs)
St Mary's College of Ca	Moraga	Schools-Universities & Colleges Academic
Sutter Delta Medical Ctr	Antioch	Hospitals
Tesoro Golden Eagle Refinery	Pacheco	Oil Refiners (Mfrs)
Va Outpatient Clinic	Martinez	Surgical Centers

Source: *State of California Employment Development Department*, extracted from the America's Labor Market Information System (ALMIS) Employer Database, 2013, 2nd Edition

The following table summarizes the 10 principal employers in the City of Richmond, California.

**CITY OF RICHMOND  
PRINCIPAL EMPLOYERS  
(As of June 30, 2011)**

<u>Employer</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Chevron Refinery	1,950	1	1.8%
West Contra Costa Unified School District	1,500	2	1.4
City of Richmond	911	3	0.9
Kaiser Permanente	786	4	0.7
Sun Power	600	5	0.6
Inovis Inc.	499	6	0.5
Richmond Health Center	350	7	0.3
Macy's	300	8	0.3
California Autism Foundation, Inc.	270	9	0.3
Galaxy Desserts	250	10	0.2
Subtotal	<u>7,416</u>		7.0%
Total City Day Population	<u>105,630</u>		

Source: *City of Richmond Community Development Department.*

**Commercial Activity**

The following table summarizes historical taxable transactions within the County for the most recent calendar years for which such data is available, 2007 to 2011.

**CONTRA COSTA COUNTY  
TAXABLE TRANSACTIONS  
(Dollars in Thousands)**

<u>Year</u>	<u>Sales Tax Permits</u>	<u>Taxable Transactions</u>
2007	23,181	\$14,086,295
2008	23,149	13,307,681
2009	21,395	11,883,049
2010	21,784	11,953,846
2011	21,153	12,799,857

Source: *California State Board of Equalization.*



The following table summarizes historical taxable transactions in the District for calendar years 2007 to 2011.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT <sup>(1)</sup>**  
**TAXABLE TRANSACTIONS FOR CITIES IN THE**  
**(Dollars in Thousands)**

<u>City</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
El Cerrito	\$338,603	\$308,414	\$278,014	\$246,574	\$253,036
Hercules	124,879	128,453	116,921	114,753	119,322
Pinole	303,589	286,289	250,977	259,846	273,341
Richmond	1,228,740	1,160,972	1,016,242	1,069,512	1,124,265
San Pablo	151,789	155,280	139,345	142,225	152,982

<sup>(1)</sup> Excludes taxable transactions occurring in unincorporated territory within the District.  
Source: *California State Board of Equalization.*

**Median Household Income**

The table below reflects recent historical median household income within the County for calendar years 2007 through 2011. Data for calendar year 2012 is not yet available.

**CONTRA COSTA COUNTY**  
**OAKLAND-FREMONT METROPOLITAN AREA**  
**MEDIAN HOUSEHOLD INCOME**

<u>Year</u>	<u>Contra Costa County</u>
2007	83,000
2008	86,100
2009	89,300
2010	90,300
2011	92,300

Source: *RAND California.*

**APPENDIX G**

**COUNTY INVESTMENT POLICY AND EXCERPTS FROM TREASURER'S QUARTERLY  
INVESTMENT REPORT AS OF JUNE 30, 2013**

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
1108 Bissell Avenue  
Richmond, California 94801-3135  
Office of Superintendent of Schools

ITEM REQUIRING ATTENTION---BOARD OF EDUCATION

To: Board of Education

Meeting Date: September 25, 2013

From: Sheri Gamba, Associate Superintendent Business Services  
Ken Whittemore, Assistant Superintendent Human Resources *(Ken)* Agenda Item: F.2

Subject: Approval of Agreement with Public Employees, Local One / AB1200 Public Disclosure of Collective Bargaining Agreement with Local One.

**Background Information:** District and Local One have reached tentative agreement through collective bargaining for the 2013-2014 school year. A copy of the Tentative Agreement is provided. Local One has ratified the Agreement. It is now presented to the Board of Education for ratification.

School districts are required to publicly disclose the provisions of all collective bargaining agreements before they ratify an agreement. This ensures that the public is aware of the details associated with a tentative collective bargaining agreement before it becomes binding on the district. A summary of the financial implications associated with the agreement is attached. This summary will be provided to the County Office of Education.

The Board will receive public comment on the proposed contract changes and salary adjustments before the Board votes to ratify the Agreement.

We want to take this occasion to thank the representatives of both groups for their time and effort in reaching this accord.

**Recommendation:** Recommend that the Board of Education ratify the Tentative Agreement between the West Contra Costa Unified School District and Local One.

**Fiscal Impact:** \$598,500 for 2013-14 school year

DISPOSITION BY BOARD OF EDUCATION

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

Public Employees Union, Local One  
And  
West Contra Costa Unified School District

**Local One Negotiation (COUNTER) Proposal  
WCCUSD Proposal (Counter) August 21, 2013**

**No.: 3**

**Date Submitted: August 27, 2013**

**ARTICLE 16  
COMPENSATION**

**Section 9.** Salary Adjustments:

Effective January 1, 2014, there shall be a 1.50% increase in the salary schedule.

**ARTICLE 1  
AGREEMENT**

**Section 1.** The Articles and provisions contained herein constitute a bilateral and binding agreement ("Agreement") by and between the Governing Board of the West Contra Costa Unified School District ("Board" or "District" or "Employer") and Public Employees Union, Local No. 1, an employee organization.

**Section 2.** This Agreement is entered into pursuant to Chapter 10.7, Division 4, of Title 1 of the Government Code ("Act").

**Section 3.** This Agreement shall remain in full force and effect from January 1, 2013 through December 31, 2016. After July 1, 2013, the parties agree that each party may open one article, and any mutually agreeable articles, for each of the last two years of the contract.

The parties agree to meet and negotiate for the 2014-2015 school year after May 1, 2014.

**ARTICLE 15  
BENEFITS**

**Section 1. Medical Coverage.** The District shall provide all eligible employees, their spouses, dependents, and domestic partners an opportunity to enroll in medical benefits as currently offered by CalPERS. Effective January 1, 2014, the District's maximum contribution to medical benefits shall be as follows:

- a. For unit members choosing Employee Only coverage, the amount of \$595.00 per

- month;
- b. For unit members choosing Employee Plus One coverage, the amount of \$1190.00 per month;
  - c. For unit members choosing Family coverage, the amount of \$1545.00 per month.

## **ARTICLE 8 GRIEVANCE PROCEDURE**

Step Four: If the grievance is not resolved at Step Three, the employee or his/her representative may pursue it further by submitting it to the Superintendent of Schools or Human Resources, in writing, within ten (10) working days. The Superintendent, if not out of the District, shall render a decision, in writing within ten (10) working days. Should the Superintendent Human Resources be out of the District, the ten (10) day period shall commence on the first day of the Superintendent's or Human Resources return.

### **Memorandum of Understanding**

Local One agrees to cooperate and commit to using electronic leave and timekeeping.

That no earlier than January 1, 2014, but prior to September 1, 2014 the District will eliminate the 10<sup>th</sup> day of the month payroll. The District will run payroll only at the end of the month. It is understood the District will still correct payroll mistakes in a timely manner.

Beginning July 1, 2014 jobs will be posted on a year around bases as they become open. From March 1, 2014 to June 30, 2014 the District commits to train employees how to use the electronic system and how to access jobs on that system.

That beginning July 1, 2014, Local One agrees to Article 25 reclassification proposal. This will allow the district to accurately study and budget each reclassification request.

Agreement signed August 27, 2013:

Agreement signed August 27, 2013:

For PEU, Local #1:

For WCCUSD:

R. M. Burr  
Caroleo Sungen  
Debbie Rich  
Shelly Andre  
B. K. ...  
David ...  
Patricia ...  
Richard ...  
L. ...  
Lynna McClain  
John E. ...  
Bob Alexander

R. ...  
M. ...  
...  
...  
...  
...

**SUMMARY OF TENTATIVE AGREEMENT**

**With the Public Employees Union, Local 1 Bargaining Unit  
Of the West Contra Costa Unified School District**

**To be acted upon by the Governing Board at its meeting on September 25,  
2013.**

**GENERAL:**

**If this Public Disclosure is not applicable to all of the district's bargaining  
units, indicate the current status of the other units.**

**Certificated: Open contracts are still under negotiation for United Teachers  
of Richmond and West Contra Costa Administrators Association**

**Classified: Settled**

**This agreement settles reopeners beginning April 15, 2013. The contract in its  
entirety expires June 30, 2015**

**COMPENSATION:**

**Proposed percentage increase in tentative agreement: 1.5% effective  
January 1, 2014.**

**Current year total cost increase for:  
Salaries and Statutory Benefits: \$338,400  
Health & Welfare: \$260,100**

**OTHER PROVISIONS**

**Other Compensation: (off schedule stipends, bonuses, etc.)**

**Non-Compensation:  
Local 1 has agreed to cooperate with electronic leave and timekeeping  
implementation and to eliminate the "variable" 10<sup>th</sup> payroll run in order to  
increase the efficiency of payroll processing.**

***TOTAL NET COST OF SETTLEMENT*     \$ 598,500 for the 2013-14 school year**

**WAS THIS COST INCLUDED IN THE LATEST  
PROJECTIONS PROVIDED TO THE COUNTY OFFICE?     Yes \_\_\_ No X**

**SOURCE FUNDING:**

The following source(s) of funding have been identified to fund the proposed agreement for 2013-14:

Unrestricted General Fund Balance: \$ 395,010  
Restricted General Fund and Other Funds: \$203,490

**FISCAL IMPACT IN CURRENT YEAR:**

\$598,500

**FISCAL IMPACT IN FUTURE YEARS:**

\$1,197,000 per year for 2014-15, 2015-16

Unrestricted General Fund Balance: \$790,019 per year  
Restricted General Fund and Other Funds: \$406,981 per year

**Summary of Tentative Agreement:**

Local 1 unit members who have chosen to enroll in the health benefits programs of the district on or after January 1, 2013 receive an additional contribution toward their benefits by the District.

All Local 1 unit members will receive an increase to their salary schedules of 1.5% as of January 1, 2014.



**CERTIFICATION**

To be signed by the District Superintendent and Chief Business Official of the district prior to submission to the Governing Board and by the Board President upon formal Board action on the proposed agreement.

The certification is based on the most recent available information on state apportionments, property taxes and other sources of ongoing revenue as well as the most recent reasonable projections of ongoing expense.

The information provided in this document summarizes the financial implications of the proposed agreement and is submitted to the Governing Board for public disclosure of the major provisions of the agreement in accordance with the requirements of AB1200, AB2756 and Government Code 3547.5.

The Superintendent and Chief Business Official of the district certify that, based on the best of their knowledge as of the date of this certification, the district will be able to meet the costs incurred under the proposed agreement over the term of the agreement. Furthermore, all necessary adjustments to the current budget have been or will be made in order to provide the funding for the settlement that is outlined in this statement of disclosure.

  
\_\_\_\_\_  
District Superintendent

9-12-13  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Chief Business Official

9/11/13  
\_\_\_\_\_  
Date

After public disclosure of the major provisions contained in this Summary, the Governing Board, at its meeting on September 25, 2013 took action to approve the proposed agreement.

\_\_\_\_\_  
President, Governing Board

\_\_\_\_\_  
Date

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
1108 Bissell Avenue  
Richmond, California 94801-3135  
Office of Superintendent of Schools

**ITEM REQUIRING ATTENTION---BOARD OF EDUCATION**

**To:** Board of Education

**Meeting Date:** September 25, 2013

**From:** Sheri Gamba, Associate Superintendent Business Services  
Ken Whittemore, Assistant Superintendent Human Resources *(KW)* **Agenda Item:** F.3

**Subject:** Approval of Agreement with School Supervisors Association (SSA) / AB1200 Public Disclosure of Collective Bargaining Agreement with the SSA

**Background Information:** District and SSA have reached tentative agreement through collective bargaining for the 2013-2014 school year. A copy of the Tentative Agreement is provided. SSA has ratified the Agreement. It is now presented to the Board of Education for ratification.

School districts are required to publicly disclose the provisions of all collective bargaining agreements before they ratify an agreement. This ensures that the public is aware of the details associated with a tentative collective bargaining agreement before it becomes binding on the district. A summary of the financial implications associated with the agreement is attached. This summary has also been provided to the County Office of Education.

The Board will receive public comment on the proposed contract changes and salary adjustments before the Board votes to ratify the Agreement.

We want to take this occasion to thank the representatives of both groups for their time and effort in reaching this accord.

**Recommendation:** Recommend that the Board of Education ratify the Tentative Agreement between the West Contra Costa Unified School District and the SSA

**Fiscal Impact:** \$118,830 for 2013-14 school year

DISPOSITION BY BOARD OF EDUCATION

Motion by: \_\_\_\_\_ Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_ Not Approved \_\_\_\_\_ Tabled \_\_\_\_\_

**West Contra Costa Unified School District (WCCUSD) Proposal  
To  
School Supervisors Association (SSA)  
September 9, 2013**

**3101 Regular Rate of Pay**

The regular rate of pay for each position in the bargaining unit shall be in accordance with the rates established for each classification as provided for in Appendix A and C incorporated as part of this Agreement.

3101.03 Effective January 1, 2014 the salary schedule for the SSA bargaining unit shall be increased by One and one half percent (1.50%) for all classifications in the unit.

**ARTICLE 5  
BENEFITS**

**5000 Health Benefits for active and retirees shall be in accordance with the 2005-2008 contract through December 31, 2009.**

Status quo, except prorated for part-time employees.

**5001 Medical Benefits**

The District shall provide all eligible employees, their spouses, dependents, and domestic partners an opportunity to enroll in medical benefits as currently offered by CalPERS. Effective January 1, 2013, the District's contribution to medical benefits shall be as follows:

Effective January 1, 2014, the District's contribution to medical benefits shall be as follows:

- a. For unit members choosing Employee Only coverage, the amount of \$595.00 per month;
- b. For unit members choosing Employee Plus One coverage, the amount of \$1190.00 per month;
- c. For unit members choosing Family coverage, the amount of \$1545.00 per month.

**5004 Vision**

The District shall provide all eligible employees, dependents and domestic partners with the vision coverage insurance plan currently offered by VSP beginning November 1, 2013, through June 30, 2013.

**New Article  
No Harassment**

The No Harassment provision proposed by SSA shall be incorporated into the contract between WCCUSD and SSA Effective October 1, 2013

Agreed to this day, September 9, 2013:

Sandra Jack  
Mary Jones  
Linda Costello  
Kenneth Russell  
David [unclear]

Ken Whittemore  
Shari [unclear]  
Miguel

**SUMMARY OF TENTATIVE AGREEMENT**

**With the School Supervision Association (SSA) Bargaining Unit  
Of the West Contra Costa Unified School District**

**To be acted upon by the Governing Board at its meeting on September 25,  
2013**

**GENERAL:**

**If this Public Disclosure is not applicable to all of the district's bargaining  
units, indicate the current status of the other units.**

**Certificated: Open and in negotiations  
Classified: Local 1 settled and ratified**

**The proposed agreement covers the following period: Reopeners/  
Contract expires June 30, 2015.**

**COMPENSATION:**

**Proposed percentage increase in proposed agreement: 1.5 % effective  
January 1, 2014**

**Current year total cost increase for:**

**Salaries and Statutory Benefits: \$45,210**

**Health & Welfare: \$73,620**

**OTHER PROVISIONS**

**Other Compensation: (off schedule stipends, bonuses, etc.)  
None**

***TOTAL COST OF SETTLEMENT*    \$118,830**

**WAS THIS COST INCLUDED IN THE LATEST  
PROJECTIONS PROVIDED TO THE COUNTY OFFICE?    Yes  No**

**SOURCE FUNDING:**

**General fund balance and other funds.**

**FISCAL IMPACT IN CURRENT YEAR:**

**These costs are included in the source funding information provided above.**

**Unrestricted General Fund Balance: \$68,921**

**Restricted General Fund and Other Funds: \$49,909**

**FISCAL IMPACT IN FUTURE YEARS:**

**\$237,660 per year for 2014-15, 2015-16**

**Unrestricted General Fund Balance: \$137,843 per year**

**Restricted General Fund and Other Funds: \$99,817 per year**

**Summary of Tentative Agreement:**

**SSA unit members who have chosen to enroll in the health benefits program of the district on or after January 1, 2014 will receive an additional contribution toward their benefits by the District. All SSA Members will continue to be enrolled in the Vision Program.**

**Effective January 1, 2014 1.5% will be added to the SSA Salary Schedules.**

## CERTIFICATION

To be signed by the District Superintendent and Chief Business Official of the district prior to submission to the Governing Board and by the Board President upon formal Board action on the proposed agreement.

The certification is based on the most recent available information on state apportionments, property taxes and other sources of ongoing revenue as well as the most recent reasonable projections of ongoing expense.

The information provided in this document summarizes the financial implications of the proposed agreement and is submitted to the Governing Board for public disclosure of the major provisions of the agreement in accordance with the requirements of AB1200, AB2756 and Government Code 3547.5.

The Superintendent and Chief Business Official of the district certify that, based on the best of their knowledge as of the date of this certification, the district will be able to meet the costs incurred under the proposed agreement over the term of the agreement. Furthermore, all necessary adjustments to the current budget have been or will be made in order to provide the funding for the settlement that is outlined in this statement of disclosure.

*Ben Horton*  
District Superintendent

9-12-13  
Date

*Shelley Gomez*  
Chief Business Official

9/11/13  
Date

After public disclosure of the major provisions contained in this Summary, the Governing Board, at its meeting on September 25, 2013 took action to approve the proposed agreement.

\_\_\_\_\_  
President, Governing Board

\_\_\_\_\_  
Date

West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801  
Office of the Superintendent

**ITEM REQUIRING ATTENTION---BOARD OF EDUCATION**

---

**To:** Board of Education **Meeting Date:** September 25, 2013  
**From:** Bruce Harter, Superintendent **Agenda Item:** F.4  
**Subject:** Appoint a Board Committee

**Background Information:**

Board Policy 7310 establishes the criteria and processes for “renaming buildings, parts of buildings or athletic fields in honor of the contributions of students, staff members and community members.” With the opening of the new DeAnza High School, community members have expressed interest in naming a room or another portion of the facilities in honor of Karen Mason, a DeAnza graduate and long-term teacher at the school. The policy stipulates that upon request that the Board will appoint a Board subcommittee to “review the nomination and make recommendations for the Board’s final consideration.”

**Recommendation:**

Recommend that the Board appoint a subcommittee.

**Fiscal Impact:** None

<b>DISPOSITION BY BOARD OF EDUCATION</b>		
Motion by: _____	Seconded by: _____	
Approved _____	Not Approved _____	Tabled _____



West Contra Costa Unified School District  
1108 Bissell Avenue  
Richmond, California 94801-3135  
Office of the Superintendent

**ITEM REQUIRING ATTENTION----BOARD OF EDUCATION**

---

**To:** Board of Education

**Meeting Date:** September 25, 2013

**From:** Mary Phillips  
Chief Technology Officer

**Agenda Item:** G.1

**Subject:** Board Policy Updates: BP 3515 Campus Security

**Background Information:**

We are submitting this Board policy to be in compliance with the current Procedures and Codes. This Board Policy was submitted to the Safety Subcommittee on September 13, 2013 and approved.

**Recommendation:** Review new Board Policy which will then be recommended for adoption at the October 2, 2013 Board meeting.

**Fiscal Impact:** None

DISPOSITION BY BOARD OF EDUCATION

Motion by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

Approved \_\_\_\_\_

Not Approved \_\_\_\_\_

Tabled \_\_\_\_\_

# **West Contra Costa Unified School District**

## **Board Policy**

### **Campus Security**

BP 3515

#### **Business and Noninstructional Operations**

The Governing Board is committed to providing a school environment that promotes the safety of students, employees, and visitors to school grounds. The Board also recognizes the importance of protecting district property, facilities, and equipment from vandalism and theft.

The Superintendent or designee shall develop campus security procedures which are consistent with the goals and objectives of the district's comprehensive safety plan and site-level safety plans. Such procedures shall be regularly reviewed to reflect changed circumstances and to assess their effectiveness in achieving safe school objectives.

#### **Surveillance Systems**

The Board believes that reasonable use of surveillance cameras will help the district achieve its goals for campus security. In consultation with the safety planning committee and relevant staff, the Superintendent or designee shall identify appropriate locations for the placement of surveillance cameras. Cameras shall not be placed in areas where students, staff, or community members have a reasonable expectation of privacy. Any audio capability on the district's surveillance equipment shall be disabled so that sounds are not recorded.

Prior to the operation of the surveillance system, the Superintendent or designee shall ensure that signs are posted at conspicuous locations at affected school buildings and grounds. These signs shall inform students, staff, and visitors that surveillance may occur and shall state whether the district's system is actively monitored by school personnel. The Superintendent or designee shall also provide prior written notice to students and parents/guardians about the district's surveillance system, including the locations where surveillance may occur, explaining that the recordings may be used in disciplinary proceedings, and that matters captured by the camera may be referred to local law enforcement, as appropriate.

To the extent that any images from the district's surveillance system create a student or personnel record, the Superintendent or designee shall ensure that the images are accessed, retained, and disclosed in accordance with law, Board policy, administrative regulation, and any applicable collective bargaining agreements.

Legal Reference:

EDUCATION CODE

32020 Access gates

32211 Threatened disruption or interference with classes

32280-32288 School safety plans

35160 Authority of governing boards

35160.1 Broad authority of school districts

38000-38005 Security patrols

49050-49051 Searches by school employees

49060-49079 Student records

PENAL CODE

469 Unauthorized making, duplicating or possession of key to public building

626-626.10 Disruption of schools

CALIFORNIA CONSTITUTION

Article 1, Section 28(c) Right to Safe Schools

UNITED STATES CODE, TITLE 20

1232g Family Educational Rights and Privacy Act

COURT DECISIONS

New Jersey v. T.L.O. (1985) 469 U.S. 325

ATTORNEY GENERAL OPINIONS

83 Ops.Cal.Atty.Gen. 257 (2000)

75 Ops.Cal.Atty.Gen. 155 (1992)

Management Resources:

CSBA PUBLICATIONS

Protecting Our Schools: Governing Board Strategies to Combat School Violence, 1999

CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS

Safe Schools: A Planning Guide for Action, 2002

NATIONAL INSTITUTE OF JUSTICE PUBLICATIONS

The Appropriate and Effective Use of Security Technologies in U.S. Schools: A Guide for Schools and Law Enforcement Agencies, 1999

WEB SITES

CSBA: <http://www.csba.org>

California Department of Education, Safe Schools Office: <http://www.cde.ca.gov/ls/ss>

National Institute of Justice: <http://www.ojp.usdoj.gov/nij>

Policy            WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT  
Adopted:        Richmond, California