



Local Ballot Measure: U

Full Text of Measure U

MEASURE TO BE SUBMITTED TO THE VOTERS AUTHORIZING THE OF CITY OF MARINA TO ISSUE GENERAL OBLIGATION BONDS TO FINANCE THE CONSTRUCTION OF A NEW FIRE AND POLICE STATION AND A COMMUNITY CENTER, INCLUDING COMMUNITY ROOMS

FINDINGS

WHEREAS, in the judgment of the City Council (the "Council") of the City of Marina (the "City"), it is advisable to improve and enhance essential police and fire services to the community by issuing general obligation bonds that will finance the acquisition, improvement, upgrade and maintenance of fire stations, police stations, facilities and real property, including (i) facilities that support emergency lifesaving medical services and reduce 911 response times, (ii) replacing/repairing outdated stations, and constructing a new community center (collectively, the "Projects");

WHEREAS, the Council intends to issue general obligation bonds to finance the Projects and to fund certain costs in connection with the issuance of such general obligation bonds;

OBJECT AND PURPOSE OF BONDS

This measure (the "Measure") authorizes the issuance of general obligation bonds (the "Bonds"), the object and purpose of which is to finance the Projects and certain costs in connection with the issuance of the Bonds.

The Projects will be completed as needed, and each is assumed to include its share of costs, including planning and construction costs. The final cost of each Project will be determined as real property is purchased, plans are finalized, construction bids are awarded, or projects are completed.

Proceeds of the Bonds may be used to reimburse the City for amounts advanced from the general fund or other funds or accounts to fund Projects when such purchases are made prior to the availability of Bond proceeds.

REQUIRED APPROVAL

The Measure shall be deemed approved if approved by at least 2/3 of the registered voters voting on the proposition; *provided, however,* that if Proposition 5 is approved by California voters on the same date that voters of the City are voting on the proposed Bond Measure, the Measure shall be deemed to be approved if approved by at least 55% of the registered voters voting on it.

ESTIMATED COST OF PROJECTS

The estimated cost of the portion of the costs of the Projects to be paid for from the Bonds is \$50,000,000. The estimated cost includes legal and other fees and the cost of printing the Bonds and other costs and expenses incidental to or connected with the authorization, issuance or sale of the Bonds. The cost of the Projects includes planning and construction costs.

PRINCIPAL AMOUNT OF BONDS

The aggregate principal amount of Bonds to be issued in one or more series is not to exceed \$50,000,000.

MAXIMUM INTEREST RATE

The maximum rate of interest to be paid on the Bonds shall not exceed the maximum rate permitted by applicable law.

ACCOUNTABILITY REQUIREMENTS

The following accountability measures apply to the issuance of Bonds pursuant to this Measure:

- (a) The specific purpose of the Bonds is to finance the Projects;
- (b) The proceeds from the sale of the Bonds will be used only for the purposes specified in this Measure, and not for any other purpose, including City employee salaries and other operating expenses. The administrative cost of executing the Projects shall not exceed 5 percent of the proceeds from the sale of the Bonds;
- (c) The proceeds of the Bonds will be deposited into an account to be created and held by the City;
- (d) The proceeds from the sale of the Bonds shall only be spent on Projects that serve the jurisdiction of the City;
- (e) The Council certifies that it has evaluated alternative funding sources for the Projects;
- (f) The City Manager of the City shall file an annual report with the Council which report shall contain pertinent information regarding the amount of funds collected and expended, as well as the status of the Projects;



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(g) All expenditures will be subject to oversight by an independent oversight committee, composed of individuals appointed by the Council, to confirm that Bond proceeds are expended only for the purposes described in this Measure. Members of the oversight committee shall receive educational training about bonds and fiscal oversight;

(h) The City shall conduct an annual, independent financial audit and an independent performance audit to confirm that Bond expenditures are consistent with the purposes of this Measure, until all of the Bond proceeds have been expended, and such audits shall be posted in a manner that is easily accessible to the public. These annual audits shall be submitted to the California State Auditor for review.

(i) Any entity owned or controlled by a Council member who voted on whether to place the Measure on the ballot shall be prohibited from bidding on any work funded by the Measure.

IDENTIFICATION OF TAX; USE OF REVENUE

The tax imposed by this Measure is an *ad valorem* tax levied upon taxable real property in the City. The tax will be used to pay the principal and interest on the Bonds.

BOND PROJECT LIST

Bond funds will be used in combination with any other received State matching funds. The City will use bond funds for the following projects:

Construction of a new fire and police station to maintain rapid 9-1-1 emergency response times, disaster and emergency response, and fire and police services.

Construction of a community center to provide safe places for children to play, delivery of city programs and services, and space for public and community meetings.

For any project involving modernization or renovation of a building or the major portion of a building, the City shall be authorized to proceed with new replacement construction if the Council determines that replacement and new construction is economically more practical considering the building's age, condition and other relevant factors.

* * *

The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program management, staff training expenses and a customary contingency, and escalation for unforeseen design and construction costs.

The allocation of bond proceeds may be affected by the City's receipt of State matching funds and the final costs of each project. In the absence of State matching funds, which the City will aggressively pursue to reduce the City's share of the costs of the projects, the City may not be able to complete some of the projects listed above. The budget for each project is an estimate and may be affected by factors beyond the City's control. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Council determines that such an approach would be more cost-effective in creating enhanced and operationally efficient campuses. Necessary site preparation/restoration and landscaping, may occur in connection with new construction, renovation or remodeling, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, redirecting fire access, and acquiring any necessary easements, licenses, or rights of way to the property.

Bond proceeds shall be expended only for the specific purposes identified herein. Proceeds of the bonds may be used to pay or reimburse the City for the cost of City staff when performing work on or necessary and incidental to the bond projects, but not for other administrator salaries.