

JUNE 2016 - MEASURE X BOND UPDATE

In November 2015 the community passed Measure X, a bond program to upgrade and repair our schools. Over the past 6 months we have been hard at work laying the groundwork for a successful bond program, and want to share where we are in the process.

First Sale of Bonds

Good news for community members! The District's credit rating from Moody's was upgraded to Aaa. The rationale for the upgrade was strong socioeconomic profile of residents, strong District fiscal management, General Fund liquidity (Reserves), and a large growing tax base. The rating upgrade helped the District secure lower interest rates for taxpayers on the first series of bonds sold under Measure X.

On February 25, 2016, the bonds to begin Phase I construction projects (2016-2019) went out to market and were successfully sold. The bonds were oversubscribed by 3 which means there were 3 times as many sale orders than the District had bonds for sale. As a result, bonds were sold at a lower interest cost, an all-inclusive interest of 3.45%. The final cost to taxpayers was \$16M lower over the life of the bonds than the original estimate before the bond election.

Preparing for Design/Construction

The District's Facilities Department will oversee all aspects of new construction of Measure X bond projects. Following passage of Measure X last November, the District began the process of identifying a pool of architects to design the projects along with other experts necessary to create the District's new design team for Measure X. Nineteen architects responded to the Request for Statement of Qualifications. That list was ultimately reduced to seven firms and approved by the Board in April 2016. In May, three architectural firms were presented to the Abbott school community, and another three firms were presented to the Borel school community. Firm interviews were conducted involving District administration and school stakeholders. Abbott Middle School selected the Palo Alto firm of Cody Anderson Wasney architects and Borel Middle School selected the San Francisco firm of CSDA Design Group. Bayside STEM/STEAM will be conducting their firm interviews in the fall. Our next step is to begin design!

- **Phase I** projects include the acquisition of land in Foster City (negotiations are pending) and construction at Abbott Middle School, Borel Middle School, and Bayside STEM Academy.

- **Phase II** will commence in 2019 including projects at Sunnybrae Elementary School, George Hall Elementary School, Bowditch Middle School, and a new school in the North Central San Mateo community.

Citizen's Bond Oversight Committee (BOC)

Concurrent with the above activity, the District advertised for applicants from the San Mateo-Foster City community to form a new CBOC to serve as an independent body, having oversight responsibility for Measure X in the areas of:

- Informing the public concerning the District's expenditure of Measure X bond proceeds;
- Reviewing expenditure reports produced by the District to ensure that Measure X bond proceeds are being expended only for the purposes set forth in Measure X; and, presenting to the Board in public session, an annual written report outlining CBOC activities and conclusions regarding the expenditure of Measure X bond proceeds.

Based on applications received, the Board of Trustees appointed the new CBOC in April, several of whom served on the Measure L Bond Oversight Committee: **Fred Baer, Carole Groom, Eric Holm, Cormac Kissane, Ryan Nobrega, Wayne Pitcher, Julie Scanlon, Susan Totaro, and William Wong**. These members represent various District constituencies including the business community, parents of children in the District, senior citizens, tax payer organizations, active District PTA members, and the community at large. The CBOC held its initial meeting in May.

As we wrap up the first steps of selling bonds, preparing for design/construction, and approving the CBOC, we are excited to get started soon on projects that will benefit San Mateo-Foster City School District students for decades to come!

Sincerely,
Dr. Joan Rosas
Superintendent