

SUMMARY

The Hermosa Beach City School District is a perfect example in a small school district (1,344 students) of how Board of Trustees with assistance from a compliant superintendent and consultants willing to lie for money can easily game the system to pass an overly expensive bond and use it to build a brand new 510 student campus as enrollment is in decline. HBCSD enrollment has declined for four straight years by 128 students and is expected to decline by 48 more students by September 2020.

We have proof of:

1. Misuse of available public resources in order to intentionally overcrowd two HBCSD campuses. HBCSD had two other viable options to house students but instead chose to overcrowd its campuses and withhold millions in general funds to panic parents and compel the public to pass an overly expensive bond.
2. Facility facts and options intentionally and unintentionally misrepresented by trusted members of the community such as elected Board of Trustee members, School District employees, City employees, District and City attorneys and District hired consultants.
3. District enrollment projections falsified in order to pass an overly expensive facilities bond.
4. Unfair advantage and use of taxpayer funds and resources during the bond campaign.
5. California Department of Education does not enforce their Education Code 7050 – 7058 governing the political activities of district employees.
6. The deceptive uses of bond language in order to hide the true intentions of the bond.
7. Board of Trustees entrusted with producing their own Environmental Impact Report (EIR) at taxpayer expense, creating a ridiculously flawed EIR, and then accepting their own highly flawed EIR. In other words: The fox guarding the hen house.
8. Three out of five School Board members who were appointed to the Board of Trustees, not elected. Two new School Board members have been on the board less than two years, and one has been on the board for only one month and knows very little about the issues, yet are tasked with passing the EIR and spending millions in taxpayer bond funds.
9. The sheer time, energy, learning curve and expense for citizens' oversight and challenges of district decisions.
10. Judges summarily agree with highly paid district attorneys against citizens.

RELEVANCY TO YOUR READERS

- ✓ Proposition 51 - \$10 billion in statewide school construction bonds passed in 2016
- ✓ State Demographics changes

- ✓ Overwhelming community trust in School Boards and Superintendents. School districts' ability to 'spin' information and manipulate events using almost unlimited taxpayer funds
- ✓ Revolving door of School Board members and Superintendents with little training, understanding or knowledge of district history, various CDE issues and changes, bond rules, facilities and construction knowledge and often with attitudes of entitlement
- ✓ Unchecked and unregulated accuracy of information provided by School District attorneys and consultants at taxpayer expense.
- ✓ Millions in wasted bond funds and taxpayer money
- ✓ Short-sighted decisions possibly putting school districts and communities in financial peril
- ✓ School facility philosophy: Commuter schools vs. neighborhood schools, Joint use facilities for short term fluctuations in enrollment. How school districts should cope with large swings in enrollment.
- ✓ Lack of oversight by the California Department of Education; the Los Angeles County Department of Education; the Los Angeles County District Attorney, Public Integrity division; and the court system of School Districts regarding all the above
- ✓ The sheer amount of time, work, expense, learning curve and lack of credibility for citizens trying to challenge school district's illegal and unethical behavior

"The current system allocates money on a first-come, first-served basis, which rewards districts with sophisticated lobby arms, not necessarily districts that have the most need. It also "creates an incentive for districts to build new schools when they already have the capacity to absorb enrollment growth," the governor's budget notes." We need schools, but not Prop 51 school bond, Editorial, The Fresno Bee, October 11, 2016 <https://www.fresnobee.com/opinion/editorials/article107513127.html>

"Governor Brown, in his 2017-18 proposed budget, highlighted the need for improved oversight on the nearly \$10 billion statewide school construction bond enacted by voters in 2016. The Commission agrees with and applauds the Governor. But oversight should not be implemented bond by bond. The Commission urges the Governor and the Legislature to develop a strategy for oversight of all statewide bond measures that links bond expenditures with results and makes this information easily available to the public." Borrowed Money:, Opportunities for Stronger Oversight, Report #236, February 2017; The Little Hoover Commission <https://lhc.ca.gov/sites/lhc.ca.gov/files/Reports/236/Report236.pdf>

"L.A. County stands to lose more than 161,000 students over the next decade, the new analysis shows. According to Alexander Alvarado, the Finance Department's education demographer, the Los Angeles Unified School District generally bears more than half of the losses, which would mean an enrollment drop of 80,000-plus students. Each student lost represents thousands of dollars that won't flow to the district." A bigger problem for Schools, Editorial, Los Angeles Times, Sunday January 13, 2019

OUR SOLUTION:

The case can be made for an expanded Office of Public School Construction to take control from individual school districts of facilities decisions and process.

This would include:

- State determination of facility options and needs for each district and subsequent facility decisions.
- Prioritization of facility needs between all school districts in California and allocation of new construction and matching bond funds accordingly.
- State control of local facility bond elections, including ballot text and information given to taxpayers prior to a bond vote. This would result in the elimination of bond campaigns.
- State control of local bond funds and decisions, hiring of State approved architects and construction companies and construction oversight after passage of the bond.
- The elimination of Citizen Oversight Committees.
- Public website to report misinformation and misleading information given by school district consultants, superintendents and district attorneys to the public. A Better Business Bureau type website specifically for reporting of unethical school district consultants. State oversight of information and complaints against school district consultants.

“A Black Market has been created over the years of attorneys, consultants, architects, vendors, bond advisors, etc. who are primarily in the facilities bond market for themselves.”