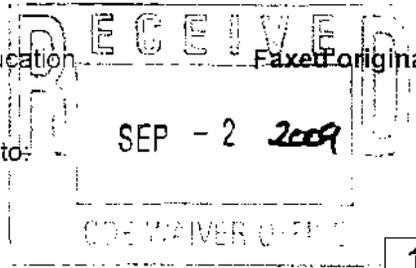


CALIFORNIA DEPARTMENT OF EDUCATION
GENERAL WAIVER REQUEST

GW-1 (Rev. 4-24-09) <http://www.cde.ca.gov/re/lr/wr/>
Page 1 of 2

First Time Waiver: X
Renewal Waiver:

Send Original plus one copy to:
Waiver Office, California Department of Education
1430 N Street, Suite 5602
Sacramento, CA 95814
Send Electronic copy and back-up material to:
waiver@cde.ca.gov



Faxed originals will not be accepted!

CD CODE					
1	5	6	3	4	2

Local educational agency: Delano Joint Union High School District		Contact name and recipient of approval/denial notice: Bonnie Hinton, Associate Superintendent, Business		Contact person's e-mail address: bhinton@djuhdsd.org
Address: 1747 Princeton Street	(City) Delano	(State) CA	(ZIP) 93215	Phone (and extension, if necessary): (661) 720-4434 Fax Number: (661) 720-4440
Period of request: (month/day/year) 11-18-09 to 10-31-19 From: 11/01/2009 To: 10/31/2010	Local board approval date: (Required) August 26, 2009		Date of public hearing: (Required) August 26, 2009	

EC 10-8-09

LEGAL CRITERIA

1. Under the general waiver authority of Education Code 33050-33053, the particular Education Code or California Code of Regulations section(s) to be waived (number): **15102 & 15208** Circle One: **EC** or CCR

Topic of the waiver: **Limitation on Outstanding Bonded Indebtedness**

2. If this is a renewal of a previously approved waiver, please list Waiver Number: **N/A** and date of SBE Approval

3. Collective bargaining unit information. Does the district have any employee bargaining units? No X Yes If yes, please complete required information below:

Bargaining unit(s) consulted on date(s): **August 19, 2009**

Name of bargaining unit and representative(s) consulted: **California School Employees Association, Chapter 79, President Ricardo Rojas; Delano Joint Union High School District Teachers Association, President Arnold Garcia**

The position(s) of the bargaining unit(s): Neutral X Support Oppose (Please specify why)

Comments (if appropriate):

4. Public hearing requirement: A public hearing is not simply a board meeting, but a properly noticed public hearing held during a board meeting at which time the public may testify on the waiver proposal. Distribution of local board agenda does not constitute notice of a public hearing. Acceptable ways to advertise include: (1) print a notice that includes the time, date, location, and subject of the hearing in a newspaper of general circulation; or (2) in small school districts, post a formal notice at each school and three public places in the district.

How was the required public hearing advertised?

X Notice in a newspaper X Notice posted at each school Other: (Please specify)

5. Advisory committee or school site councils. Please identify the council(s) or committee that reviewed this waiver:

Date the committee/council reviewed the waiver request: **Robert F. Kennedy School Site Council**

Were there any objection(s)? No X Yes (If there were objections please specify)

9/24/09

EC 10-6-09

CALIFORNIA DEPARTMENT OF EDUCATION
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6. *Education Code* or *California Code of Regulations* section to be waived. If the request is to waive a portion of a section, type the text of the pertinent sentence of the law, or those exact phrases requested to be waived (or use a strike out key if only portions of sections are to be waived).

15102. The total amount of bonds issued pursuant to this chapter and Chapter 1.5 (commencing with Section 15264) shall not exceed 1.25 percent of the taxable property of the school district or community college district, or the school facilities improvement district, if applicable, as shown by the last equalized assessment of the county or counties in which the district is located.

15268. The total amount of bonds issued pursuant to Chapter 1 (commencing with Section 15100) shall not exceed 1.25 percent of the taxable property of the school district or community college district, or the school facilities improvement district, if applicable, as shown by the last equalized assessment of the county or counties in which the district is located.

7. Desired outcome/rationale. State what you hope to accomplish with the waiver. Describe briefly the circumstances that brought about the request and why the waiver is necessary to achieve improved student performance and/or streamline or facilitate local agency operations. If more space is needed, please attach additional pages.

See attached.

8. Demographic Information:
For this waiver, Delano Joint Union High School District has a student population of 4,634 and is located in a rural area in Kern County.

9. For a renewal waiver only, district also must certify:

True False

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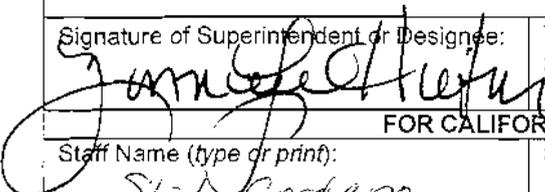
The facts that precipitated the original waiver request have not changed.
The remedy for the problem has not changed.
Members of the local governing board and district staff are not aware of the existence of any controversy over the implementation of this waiver or the request to extend it.

Renewals of General Waivers must be submitted two months before the active waiver expires. The local governing board must approve the renewal request. Retroactive waivers must go through the First Time Waiver Process.

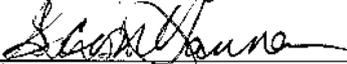
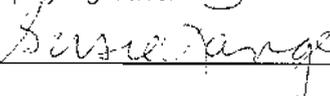
Is this waiver associated with an apportionment related audit penalty? (per EC 41344) No Yes
(If yes, please attach explanation or copy of audit finding)

Has there been a Categorical Program Monitoring (CPM) finding on this issue? No Yes
(If yes, please attach explanation or copy of CPM finding)

District or County Certification – I hereby certify that the information provided on this application is correct and complete.

Signature of Superintendent or Designee: 	Title: Associate Superintendent, Business Services	Date: August 28, 2009
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FOR CALIFORNIA DEPARTMENT OF EDUCATION USE ONLY

Staff Name (type or print): Stef Cordano	Staff Signature: 	Date: 10-9-09
Unit Manager (type or print): Peter Foggiate	Unit Manager Signature: 	Date: 10-12-09
Division Director (type or print): Scott Hannan	Division Director Signature: 	Date: 10/13/09
Deputy (type or print):	Deputy Signature: 	Date: 10/13/09

PART 7. Desired Outcome/Ratiouale

Desired Outcome

The granting of this waiver will permit the Delano Joint Union High School District (the "District") to issue up to \$27,500,000 in general obligation bonds (as authorized by the voters within the District on November 8, 2005) in December 2009 rather than delayiug until 2025.

Rationale

A. Background:

The District operates five high schools. Enrollment has increased by approximately 75 students since 2008 for a total of 4,634 students. The voters within the Delano Joint Union High School District approved an authorization to issue \$55,000,000 in general obligation bonds on November 8, 2005 (the "Authorization"). Currently, the District may not issue any general obligation bonds under the California Education Code without exceeding its statutory bonding capacity; however, current capital facilities needs are \$27,500,000.

The American Recovery and Reinvestment Act of 2009 grants a national allocation of \$11 billion in 2009 to provide for the issuance of qualified school construction bonds ("QSCBs"), in accordance with the qualified tax credit bond program found in Section 54A of the Internal Revenue Code of 1986, and a portion of such allocation may be granted to the District to provide financing for the construction, rehabilitation, repair and/or equipping of public school facilities, or the acquisition of land on which such facilities are to be constructed with part of the proceeds of such issue. The District submitted its QSCB application on August 24, 2009.

The District wishes to issue general obligation bonds in one or more series, a portion of which may be issued as QSCBs, to provide financing for the construction, rehabilitation, repair and/or equipping of public school facilities.

B. Projects to be Completed:

1. Library at Robert F. Kennedy High School; (*\$4.5 million*)
2. Athletic facilities at Robert F. Kennedy High School; and (*\$5.5 million*)
3. Acquisition of land for the construction of school facilities as well as various modernization projects to school facilities.

C. Financial Information:

1. We estimate that issuing \$27,500,000 of bonds under the Authorization in December 2009 would raise the District's total indebtedness to approximately 2.91% of its assessed valuation. We estimate that by 2024-25, the indebtedness would be reduced to 1.17%.

2. The assessed valuation within the District declined by 3.1% from fiscal year 2008-09 to 2009-10. As a result, the District's bonding capacity declined, increasing the need for the requested waiver.

3. The attached Bonding Capacity Analysis shows the assessed valuation, projected tax rates and existing and proposed debt service requirements.

D. Reasons to approve this waiver:

1. Approval will permit the District to provide essential learning and recreational facilities to its students such as a library and athletic fields now, and not have to wait until fiscal year 2025 when the bond indebtedness of the Districts is expected to fall below the limit set forth in the California Education Code.

2. If the District is granted Qualified School Construction Bond allocation, it would be able to significantly reduce the interest costs of financing and constructing such needed District school facilities.

E. Who supports this waiver:

1. Delano Joint Union High School Teachers' Association
2. Delano California School Employees Association
3. Annette Yee and Company- Financial Advisor
4. E. J. De La Rosa & Co. Inc.- Bond Underwriter

F. Who opposes this waiver:

At a duly noticed public hearing on August 26, 2009, there was no opposition from the public or staff.

G. Summary:

The District has a current need to construct, repair and renovate District facilities, yet historical assessed valuation in the District, coupled with recent negative assessed valuation growth due to the weak housing market, prohibit the District from issuing its voter-authorized general obligation bonds. Approving this request for a waiver of the District's bonding capacity limitation will permit the District to make the necessary construction, repairs and upgrades to essential facilities. In addition, the collective bargaining units within the District and the Kern County Office of Superintendent of Schools have provided letters endorsing this waiver request. See attachments.

**Delano Joint Union High School District
Bonding Capacity Analysis**

\$27,500,000 Long-Term General Obligation Bond

Principal Amortization Schedule

Date	Assessed Valuation	Assumed AV Growth	Applicable Percent	Gross Bonding Capacity	Principal Amortization Schedule			Total Bonded Indebtedness	Bonded Indebtedness As % of AV
					2003 Refunding	Election of 2006, Series 2007	Estimated \$27.5 Million GOB		
8/1/09	2,628,274,751	-0.10%	1.25%	32,853,434				76,540,000	2.91%
8/1/10	2,586,850,630	-1.50%	1.25%	32,360,633	615,000	575,000	0	75,350,000	2.91%
8/1/11	2,586,850,630	0.00%	1.25%	32,360,633	645,000	610,000	225,000	73,870,000	2.85%
8/1/12	2,614,739,136	1.00%	1.25%	32,684,239	680,000	645,000	235,000	72,310,000	2.77%
8/1/13	2,667,033,919	2.00%	1.25%	33,337,924	705,000	625,000	245,000	70,735,000	2.65%
8/1/14	2,747,044,936	3.00%	1.25%	34,338,062	740,000	650,000	260,000	69,085,000	2.51%
8/1/15	2,829,456,284	3.00%	1.25%	35,368,204	775,000	680,000	270,000	67,360,000	2.38%
8/1/16	2,911,339,973	3.00%	1.25%	36,429,250	815,000	710,000	285,000	65,550,000	2.25%
8/1/17	3,001,770,172	3.00%	1.25%	37,522,127	860,000	745,000	300,000	63,645,000	2.12%
8/1/18	3,091,823,277	3.00%	1.25%	38,647,791	905,000	775,000	315,000	61,650,000	1.99%
8/1/19	3,184,577,976	3.00%	1.25%	39,807,225	950,000	810,000	330,000	59,560,000	1.87%
8/1/20	3,280,115,315	3.00%	1.25%	41,001,441	1,005,000	850,000	345,000	57,360,000	1.75%
8/1/21	3,378,518,774	3.00%	1.25%	42,231,485	1,060,000	885,000	365,000	55,050,000	1.63%
8/1/22	3,479,874,338	3.00%	1.25%	43,498,429	1,110,000	925,000	385,000	52,670,000	1.51%
8/1/23	3,584,270,568	3.00%	1.25%	44,803,382	1,165,000	970,000	405,000	50,090,000	1.40%
8/1/24	3,691,798,685	3.00%	1.25%	46,147,484	1,220,000	1,010,000	430,000	47,410,000	1.28%
8/1/25	3,802,552,645	3.00%	1.25%	47,531,908	1,280,000	1,060,000	450,000	44,640,000	1.17%
8/1/26	3,916,629,225	3.00%	1.25%	48,957,865	1,355,000	1,105,000	475,000	41,705,000	1.06%
8/1/27	4,034,128,101	3.00%	1.25%	50,426,601	1,425,000	1,155,000	505,000	38,620,000	0.96%
8/1/28	4,155,151,944	3.00%	1.25%	51,939,399	1,500,000	1,205,000	530,000	35,385,000	0.85%
8/1/29	4,279,806,503	3.00%	1.25%	53,497,581	1,565,000	1,260,000	560,000	32,400,000	0.76%
8/1/30	4,408,700,698	3.00%	1.25%	55,102,509	1,220,000	1,320,000	590,000	29,270,000	0.66%
8/1/31	4,540,446,719	3.00%	1.25%	56,755,584	850,000	1,375,000	625,000	26,420,000	0.58%
8/1/32	4,676,660,120	3.00%	1.25%	58,458,252	895,000	1,440,000	655,000	23,430,000	0.50%
8/1/33	4,816,959,924	3.00%	1.25%	60,211,999		1,505,000	695,000	21,210,000	0.44%
8/1/34	4,961,468,722	3.00%	1.25%	62,018,359		1,570,000	730,000	18,930,000	0.38%
8/1/35	5,110,312,783	3.00%	1.25%	63,878,910		1,640,000	770,000	16,520,000	0.32%
8/1/36	5,263,622,167	3.00%	1.25%	65,795,277			815,000	15,705,000	0.30%
8/1/37	5,421,530,832	3.00%	1.25%	67,769,135			860,000	14,845,000	0.27%
8/1/38	5,584,176,757	3.00%	1.25%	69,802,209			905,000	13,940,000	0.25%
8/1/39	5,751,702,659	3.00%	1.25%	71,896,276			955,000	12,985,000	0.23%
8/1/40	5,924,253,121	3.00%	1.25%	74,053,164			1,010,000	11,975,000	0.20%
8/1/41	6,101,980,715	3.00%	1.25%	76,274,759			1,065,000	10,910,000	0.18%
8/1/42	6,285,040,136	3.00%	1.25%	78,563,002			1,120,000	9,790,000	0.16%
8/1/43	6,473,591,340	3.00%	1.25%	80,919,892			1,185,000	8,605,000	0.13%
8/1/44	6,667,799,081	3.00%	1.25%	83,347,489			1,250,000	7,355,000	0.11%
8/1/45	6,867,833,053	3.00%	1.25%	85,847,913			1,320,000	6,035,000	0.09%
8/1/46	7,073,868,045	3.00%	1.25%	88,423,351			1,390,000	4,645,000	0.07%
8/1/47	7,286,084,086	3.00%	1.25%	91,076,051			1,465,000	3,180,000	0.04%
8/1/48	7,504,666,609	3.00%	1.25%	93,808,333			1,550,000	1,630,000	0.02%
8/1/49	7,729,806,607	3.00%	1.25%	96,622,583			1,630,000	0	0.00%
				TOTAL	22,940,000	26,100,000	27,500,000		

FULBRIGHT & JAWORSKI L.L.P.

A REGISTERED LIMITED LIABILITY PARTNERSHIP
555 SOUTH FLOWER STREET
FORTY-FIRST FLOOR
LOS ANGELES, CALIFORNIA 90071
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DIRECT DIAL: (213) 892-8316

TELEPHONE: (213) 892-8200
FACSIMILE: (213) 892-9494

August 27, 2009

Ms. Bonnie Hinton
Associate Superintendent, Business Services
Delano Joint Union High School District
1747 Princeton Street
Delano, California 93215

Re: State Board of Education Waivers of Education Code Requirements

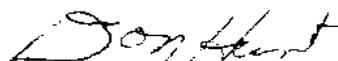
Dear Ms. Hinton:

We understand that Delano Joint Union High School District (the "District") wishes to pursue a waiver of the limitation under the State Education Code to permit it to issue general obligation bonds above the statutory assessed valuation limit of 1.25%. You have explained to us that the waiver is necessary for the District to meet the current and expected facility needs of its student enrollment. If the District waits for assessed valuation within its boundaries to support an issue of general obligation bonds at the statutory 1.25% level, we have been advised by you that the District's schools will be lacking important facilities such as a library and athletic field for the Robert F. Kennedy High School.

The District's waiver request must be provided to the California Department of Education for consideration at a meeting of the State Board of Education. The waiver request must be submitted by August 31, 2009, for consideration at the State Board of Education meeting in November. In accordance with Section 33052 of the California Education Code, if formal action is not taken by the second regular meeting of the State Board following receipt of the request, the waiver shall be deemed approved for one year, commencing the first day of the following month. Section 33051 of the California Education Code provides that waivers shall normally be granted by the State Board unless the package submitted by the school district contains defects listed in that Section, such as a failure to obtain union input on the proposed waiver.

We have reviewed the District's waiver request on form GW-1 (Rev. 4-24-09) and find it to be complete.

Very truly yours,



Donald L. Hunt