COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Counsel

Date: February 5, 2015
Board Meeting Date: February 24, 2015
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: John C. Beiers, County Counsel

Subject: Issuance and Sale by the Las Lomitas Elementary School District of General Obligation Bonds

RECOMMENDATION:
Adopt a Resolution authorizing the Las Lomitas Elementary School District to issue and sell its Election of 2013 General Obligation Bonds, Series A, through a negotiated sale in an amount not to exceed $30,000,000, without further action of the County.

BACKGROUND:
The voters in the Las Lomitas Elementary School District ("District") approved by more than fifty-five percent of the voters a school bond measure on November 5, 2013, in the maximum aggregate principal amount of $60,000,000.

On February 11, 2015, the District's Board of Trustees adopted a resolution ("District Resolution") authorizing the issuance of its "Las Lomitas Elementary School District (San Mateo County, California) Election of 2013 General Obligation Bonds, Series A" in an aggregate principal amount not to exceed $30,000,000, and requesting that the County Board of Supervisors authorize the District to issue and sell the Bonds on its own behalf by negotiated sale. Although the District has the authority to issue up to $60,000,000 in bonds, the District has decided to issue no more than $30,000,000 in bonds at this time.

DISCUSSION:
State law authorizes the County to issue and sell general obligation bonds on behalf of a school district. For this transaction, the District Resolution requests that the County authorize the District itself to issue the particular series of bonds, and to sell the bonds through a competitive or negotiated sale. California Government Code §§ 53506 et. seq. and Education Code § 15140(b) allow the Board of Supervisors to authorize the

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District to sell and issue bonds on its own behalf without further action of the Board of Supervisors or officers of the County.

The District is being assisted by Stradling Yocca Carlson & Rauth, as bond counsel, and KNN Public Finance, a Division of Zions Bank, as financial advisor.

Authorizing the District to issue and sell its own bonds will contribute to the Shared Vision 2025 outcome of Collaborative Community by supporting fiscal accountability.

FISCAL IMPACT:

These bonds are general obligations of the District, and do not constitute an obligation of the County. No part of any fund of the County is pledged or obligated to the payment of the bonds.