



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Counsel



DATE: February 25, 2014
BOARD MEETING DATE: March 11, 2014
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: John C. Beiers, County Counsel

SUBJECT: Issuance and Sale by the Menlo Park City School District of General Obligation Bonds

RECOMMENDATION:

Adopt a Resolution authorizing the Menlo Park City School District to issue and sell its General Obligation Bonds (Election of 2013), Series 2014, in an aggregate principal amount not to exceed \$23,000,000, without further action of the Board of Supervisors or Officers of the County.

BACKGROUND:

The voters in the Menlo Park City School District ("District") approved by more than fifty-five percent of the electorate a school bond measure on November 5, 2013, in the maximum aggregate principal amount of \$23,000,000 (the "Bond Measure").

On February 11, 2014, the District's Board of Education adopted its Resolution No. 13.14.20 (the "District Resolution") authorizing the issuance of "Menlo Park City School District General Obligation Bonds (Election of 2013), Series 2014", in an aggregate principal amount not to exceed \$23,000,000 (the "Bonds"), and requesting that the County Board of Supervisors authorize the District to issue and sell on its own behalf, by negotiated sale, the Bonds.

DISCUSSION:

Typically, the County issues and sells general obligation bonds on behalf of a school district. For this transaction, the District has requested that the County authorize the District itself to issue the Bonds and to sell the Bonds through a negotiated sale. California Government Code sections 53506, et. seq. and Education Code Section 15140(b) allow the Board of Supervisors to authorize the 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 Orrick, Herrington & Sutcliffe LLP, as bond counsel, and

Keygent, LLC, 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.

cc: John Maltbie, County Manager
Sandie Arnott, Tax Collector-Treasurer
Bob Adler, Controller
John Palmer, Esq. Bond Counsel