



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Counsel



Date: September 8, 2015
Board Meeting Date: October 20, 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 San Carlos School District of its Election of 2012 General Obligation Bonds, Series 2015

RECOMMENDATION:

Adopt a resolution authorizing the San Carlos School District to issue and sell its San Carlos School District (San Mateo County, California) General Obligation Bonds, Election of 2012, Series 2015, in an aggregate principal amount not to exceed \$36,002,100.70 without further action of the County.

BACKGROUND:

The voters in the San Carlos School District ("District") approved by more than fifty-five percent of the voters a school bond measure on November 6, 2012, authorizing the issuance of general obligation bonds in the maximum aggregate principal amount of \$72,000,000 (the "Bond Measure").

On October 8, 2015, the District's Board of Education authorized the issuance and sale of "San Carlos School District (San Mateo County, California) General Obligation Bonds, Election of 2012, Series 2015," in an aggregate principal amount not to exceed \$36,002,100.70 ("Series 2015 Bonds"), and requested that the County Board of Supervisors authorize the District to issue and sell the Series 2015 Bonds on its own behalf, by negotiated sale.

DISCUSSION:

State law generally provides that the County may issue and sell general obligation bonds on behalf of a school district, but California Government Code §§ 53506 et. seq. and Education Code § 15140(b) also allow the Board of Supervisors to authorize the District to sell and issue bonds directly 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 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.