

RESOLUTION NO. 070426

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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**RESOLUTION AMENDING AND RESTATING RESOLUTION 069385 AUTHORIZING
THE SAN MATEO UNION HIGH SCHOOL DISTRICT TO SELL SCHOOL BONDS
DIRECTLY, PURSUANT TO APPLICABLE LAW**

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, Section 15140(b) of the Education Code of the State of California authorizes a county Board of Supervisors to allow school districts over which the County Superintendent of Schools has jurisdiction to issue and sell school bonds directly without further action by the Board of Supervisors or officers of the county if said school district has not received a qualified or negative certification in its most recent interim report; and

WHEREAS, pursuant to its Resolution 069385 adopted on May 6, 2008 (the "2008 Resolution"), this Board of Supervisors (the "Board") of the County of San Mateo (the "County") did make such procedures available to the San Mateo Union High School District (the "District") over which the Superintendent of Schools of the County has jurisdiction, pursuant to the limitations contained in said law; and

WHEREAS, the 2008 Resolution provided that Education Code Section 15140(b) shall thereafter be applicable to the issuance and sale of school bonds issued by the District pursuant to the authority of its Measure M, approved by the voters on November 7, 2006 ("Measure M"), Chapter 1 of Part 10 of Division 1 of Title 1 of the

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Education Code and Article 4.5 of Title 5 of Division 2 of the Government Code, and

WHEREAS, the 2008 Resolution provided that provided that any bonds issued and sold by the District pursuant to the 2008 Resolution be sold on a competitive bid sale basis; and

WHEREAS, on June 18, 2008, the District issued a first series of bonds authorized pursuant to Measure M in the aggregate principal amount of \$62,700,000 and sold such bonds at competitive bid sale; and

WHEREAS, the Board of Trustees of the District (the "District Board") has adopted a resolution (Resolution 09-24) authorizing the issuance of up to \$70,000,000 aggregate principal amount of bonds authorized pursuant to Measure M (designated as the "Series C Bonds" in said Resolution 09-24, but referred to herein as the "2009 Bonds"); and

WHEREAS, in connection with the sale of the 2009 Bonds, the District has employed Keygent LLC ("Financial Advisor") as its independent financial advisor; and

WHEREAS, the Financial Advisor has advised the District that selling the 2009 Bonds as a combination of tax-exempt bonds, "Build America Bonds" ("BABs"), "Qualified School Construction Bonds" ("QSCBs"), or "Clean Renewable Energy Bonds," ("CREBS"), is likely to generate significant economic benefit to local taxpayers; and

WHEREAS, the District Board has been advised that due to the specialized investor market in CREBs and bonds authorized by the American Recovery and

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Reinvestment Act of 2009 ("ARRA"), the current experience of school and community college districts which have sought to sell either CREBs, BABs or QSCBs has been that such bonds have most effectively sold at a negotiated sale; and

WHEREAS, since the final determination on the most efficient allocation of the 2009 Bonds among tax-exempt, taxable BABs, tax-credit QSCBs or CREBs is at the time of pricing, the Financial Advisor has advised the District that any tax-exempt bonds sold in conjunction with BABs, QSCBs or CREBs should be sold at a negotiated sale; and

WHEREAS, in adopting the 2008 Resolution, the Board of Supervisors indicated a concern with protecting the interests of taxpayers and guiding the District to access the best financial results; and

WHEREAS, due to the impact of the passage of ARRA subsequent to the adoption of the 2008 Resolution, it appears prudent to modify the requirements of the District's bond issuance protocols in the context of issuing Measure M Bonds, which include bonds which qualify for one or several federal subsidiaries offered by ARRA and the Energy Policy Act of 2007 ("EPA"); and

WHEREAS, the Board desires to amend and restate its 2008 Resolution to permit the District to sell its Measure M bonds at either a competitive or negotiated sale and to assure that the Bond Funds are issued and invested pursuant to applicable law.

NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED:

Resolution 069385 adopted by this Board on May 6, 2008, is hereby restated as adopted on May 6, 2008, with the following revisions:

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1. Section 1 (c) shall henceforth provide that any bonds issued and sold by the District pursuant to this Resolution shall be issued and sold pursuant to applicable law, and may be sold at either a competitive or negotiated sale, as the District shall determine.
2. Section 3 (b) shall henceforth provide that all funds relating to the bonds shall be deposited in the Building Fund and shall be invested at the discretion of the District as authorized by the District Board and consistent with applicable state law.

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Regularly passed and adopted this 20th day of October, 2009.

AYES and in favor of said resolution:

Supervisors: MARK CHURCH
CAROLE GROOM
RICHARD S. GORDON
ROSE JACOBS GIBSON
ADRIENNE J. TISSIER

NOES and against said resolution:

Supervisors: NONE


Absent Supervisors: NONE



President, Board of Supervisors
County of San Mateo
State of California

Certificate of Delivery

I certify that a copy of the original resolution filed in the Office of the Clerk of the Board of Supervisors of San Mateo County has been delivered to the President of the Board of Supervisors.



Marie L. Peterson, Deputy
Clerk of the Board of Supervisors

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