



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY ATTORNEY

File #: 23-177

Board Meeting Date: 3/28/2023

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: John D. Nibbelin, County Attorney

Subject: Issuance of Cabrillo Unified School District General Obligation Bonds, Election of 2012, Series D

RECOMMENDATION:

Adopt a resolution authorizing the issuance and sale of general obligation bonds, Election of 2012, Series D of Cabrillo Unified School District in an aggregate principal amount not to exceed \$23,000,000.

BACKGROUND:

The voters in the Cabrillo Unified School District ("District") approved by more than fifty-five percent of the voters a school bond measure on June 5, 2012, authorizing the issuance of general obligation bonds in the maximum aggregate principal amount of \$81,000,000 (the "Bond Measure"). To date, the District has issued \$58,000,000 in bonds pursuant to the Bond Measure.

On March 9, 2023, the Governing Board of the District authorized the issuance and sale of its general obligation bonds, Election of 2012, Series D of Cabrillo Unified School District, in an aggregate principal amount not to exceed \$23,000,000 (the "Series D Bonds") and requested that the County Board of Supervisors issue and sell the Series D Bonds on the District's behalf.

DISCUSSION:

State law generally provides that the County may issue and sell general obligation bonds on behalf of a school district. 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, if certain statutory conditions are met. The District expects to receive a Qualified Certification within the meaning of Education Code § 42133 which would foreclose the District's direct issuance of the Series D Bonds on its own behalf.

With respect to the Series D Bonds, the District has elected to proceed under Government Code § 53506 et. seq. and has requested that the County issue the Series D Bonds pursuant to Government

Code § 15140(a). Education Code § 15140(a) provides, in pertinent part, that: “Bonds of a school district or community college district shall be offered for sale by the board of supervisors of the county, the county superintendent of which has jurisdiction over the district, or the community college district governing board, where appropriate, as soon as possible following receipt of a resolution duly adopted by the governing board of the school district or community college district.”

The District is being assisted by the Dannis Woliver Kelley law firm as bond counsel and disclosure counsel, and Isom Advisors as financial advisor.

FISCAL IMPACT:

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