



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 19-964

Board Meeting Date: 10/8/2019

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Michael P. Callagy, County Manager

Subject: Approval of Supplement to the Official Statement in connection with 2019 Forward Delivery Bonds

RECOMMENDATION:

Adopt a resolution approving the form of and authorizing distribution and publication of a supplement to Official Statement.

BACKGROUND:

On October 23, 2018, the Board of Supervisors adopted Resolution No. 076208, which authorized the issuance of up to \$250,000,000 in lease revenue bonds to finance certain capital projects. Pursuant to that resolution, the Board also approved up to \$60,000,000 in lease revenue bonds to be issued pursuant to a forward delivery structure ("2019 Forward Delivery Bonds") in order to refund the 2009 Refunding Series A Bonds and produce positive savings. Pursuant to the terms of the Forward Delivery Bond Purchase Contract ("BPC") entered into on November 1, 2018 with Barclays Capital Inc., the senior managing underwriter of the issuance, the 2019 Forward Delivery Bonds must be delivered to Barclays in October 2019, and the Joint Powers Financing Authority and the County must prepare and issue a supplement to the Official Statement that was issued in 2018.

DISCUSSION:

The proposed resolution approves only the Supplement to the Official Statement and its distribution and publication, as required by the terms of the BPC. The issuance of the 2019 Forward Delivery Bonds has already been approved both by the Board of Supervisors and the Board of the Joint Powers Financing Authority. County staff has worked with its disclosure counsel, Norton Rose Fulbright, in preparing the form of Supplement to the Official Statement. Because the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019 is not yet available, the financial information contained in the form of Supplement to the Official Statement is based on unaudited financial statements.

County Counsel has reviewed and approved the resolution as to form and content.

FISCAL IMPACT:

There is no fiscal impact associated with the approval of the Supplement to the Official Statement and the publication and distribution thereof.