



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY COUNSEL

File #: 20-317

Board Meeting Date: 5/19/2020

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 Mateo Union High School District of its Election of 2020 General Obligation Bonds, Series A

RECOMMENDATION:

Adopt a resolution authorizing the San Mateo Union High School District to issue and sell its election of 2020 General Obligation Bonds, Series A, through a negotiated sale, in an amount not-to-exceed \$96,250,000 without further action of the County.

BACKGROUND:

On March 3, 2020, an election was held in the San Mateo Union High School District (the "District"), for the purpose of submitting a bond measure (the "Bond Measure") to the qualified electors of the District, authorizing the issuance of general obligation bonds in the aggregate principal amount of \$385,000,000 (the "Bonds"), in which more than 55% of the votes cast were in favor of the issuance of the Bonds.

On May 7, 2020, the Board of Trustees of the District, a school district under the jurisdiction of the Superintendent of Schools of the County of San Mateo, adopted a resolution (the "Series A Resolution") providing for the issuance and sale of San Mateo Union High School District Election of 2020 General Obligation Bonds, Series A, in an aggregate principal amount not-to-exceed \$96,250,000 ("Series A Bonds"), and requesting that this Board of Supervisors of the County of San Mateo (the "County") authorize the District to issue and sell its proposed Series A Bonds on its own behalf at a negotiated sale pursuant to and subject to the Education Code or the Government Code and applicable law.

The District has represented and warranted that it has not received a qualified or negative certification in its most recent interim report.

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 Stradling Yocca Carlson & Rauth, a Professional Corporation, as bond counsel, and Keygent, LLC 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.