

RESOLUTION NO. _____

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

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RESOLUTION AUTHORIZING THE SEQUOIA UNION HIGH SCHOOL DISTRICT TO ISSUE NOT TO EXCEED \$45,000,000 PRINCIPAL AMOUNT OF ITS GENERAL OBLIGATION BONDS, SERIES 2005B, BY NEGOTIATED SALE WITHOUT FURTHER ACTION OF THE COUNTY.

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

WHEREAS, Sections 53506 and following of the Government Code of the State of California (the "Government Code"), including Section 53508.7 thereof, provide that a school district may issue and sell bonds on its own behalf at a private sale pursuant to Sections 15140 and 15146 of the Education Code of the State of California (the "Education Code"); and

WHEREAS, Section 15140(b) of the Education Code provides that the board of supervisors of a county may authorize a school district in the county to issue and sell its own bonds without the further action of 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, the Board of Trustees of the Sequoia Union High School District (the "District"), a school district under the jurisdiction of the Superintendent of Schools of the County of San Mateo, has heretofore adopted and filed with the Clerk of this Board of Supervisors a resolution (the "District Resolution") providing for the issuance and sale of its "Sequoia Union High School District General Obligation Bonds, Election of 2004, Series 2005B" (the "Series 2005B Bonds") at a negotiated sale pursuant to Sections 53506 and following of the Government Code; and

WHEREAS, the District, through the District Resolution, has determined that, in order to realize certain financial benefits from the accelerated issuance of bonds, including expected savings in construction costs and earnings from investment of bond proceeds, it is necessary and desirable, and the prudent management of the fiscal affairs of the District requires; that, in order to effectively manage the tax rates to be levied for the repayment of said bonds, it is necessary and desirable that said bonds include capital appreciation bonds with maturities greater than 25 years; and that it is impracticable to sell such long-term capital appreciation bonds through a public, competitive sale, and so it is necessary and desirable that such bonds are to be sold by negotiated sale; and

WHEREAS, the District, through the District Resolution, has requested that this Board of Supervisors of the County of San Mateo (the "County") authorize the

District to issue and sell its proposed Series 2005B Bonds on its own behalf at a negotiated sale pursuant to Sections 15140 and 15146 of the Education Code, as permitted by Section 53508.7 of the Government Code, and the terms set forth in the District Resolution, and has represented and warranted to the County that it has not received a qualified or negative certification in its most recent interim report;

NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED:

Section 1. Recitals. All of the above recitals are true and correct.

Section 2. Authorization of Negotiated Sale. This Board hereby authorizes the issuance and negotiated sale by the Sequoia Union High School District on its own behalf of the Sequoia Union High School District General Obligation Bonds, Election of 2004, Series 2005B, pursuant to Sections 15140 and 15146 of the Education Code, as permitted by Section 53508.7(c) of the Government Code, and the terms set forth in the District Resolution. This authorization shall only apply to the specific bonds named.

Section 3. Deposit and Investment of Bond Proceeds. As is required by the District resolution, the proceeds of the Bonds shall be deposited and invested as follows:

(a) The proceeds of sale of the Series 2005B Bonds, exclusive of any premium and accrued interest received, shall be deposited in the County treasury to the credit of the building fund of the District. Any premium and accrued interest shall be deposited upon receipt in the interest and sinking fund of the District within the County treasury.

(b) All funds held by the County Treasurer-Tax Collector relating to the Series 2005B Bonds shall be invested at the County Treasurer-Tax Collector's discretion pursuant to law and the investment policy of the County.

(c) Investment earnings on the money in the District's building fund shall be deposited in the building fund. Investment earnings on the money in the District's interest and sinking fund shall be deposited into the interest and sinking fund.

Section 4. District Responsibilities. The Board of Trustees of the District shall transmit a copy of the final debt service schedule for the Series 2005B Bonds reflecting the principal amounts and interest rates of the Series 2005B Bonds as determined in the sale thereof to the County Controller and the County Treasurer-Tax Collector, forthwith after the sale of the Series 2005B Bonds, and in any event no later than reasonably requested by such officers, in order to permit the County to establish tax rates and necessary funds or accounts for the Series 2005B Bonds.

Section 5. County Responsibilities. (a) The County, including the officers thereof and this Board of Supervisors, takes no responsibility for the proceedings for sale and issuance of the Series 2005B Bonds.

(b) The County shall levy and collect taxes, pay principal and interest on the Series 2005B Bonds when due, and hold bond proceeds and tax funds for the Series 2005B Bonds duly issued and sold by the District as otherwise required by law.

(c) The County, including the officers thereof and this Board of Supervisors, takes no responsibility for establishing a tax rate for any of the Series 2005B Bonds in any year in which the information required by Section 4 hereof to be delivered to the County officers is delivered later than the deadline established by such officers in order to permit compliance with Government Code Section 29100 and following.

(d) No part of any fund of the County is pledged or obligated to the payment of the Series 2005B Bonds. The County makes no assurance regarding the use of the proceeds of the Series 2005B Bonds.

Section 6. Effective Date: This resolution shall take effect from and after its adoption.

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CLERK'S CERTIFICATE

I, _____, Deputy Clerk of the Board of Supervisors (the "Board") of the County of San Mateo, do hereby certify that the attached is a full, true and correct copy of a resolution and order duly adopted at a regular meeting of the Board duly and regularly and legally held at the regular meeting place thereof on September 13, 2005, and duly entered in the minutes of said meeting, of which meeting all the members of the Board had due notice and at which a quorum thereof was present.

An agenda of said meeting was posted at least 72 hours before said meeting at 400 County Center, Redwood City, California, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda. A copy of said agenda is attached hereto.

I further certify that I have carefully compared the attached copy with the original minutes of said meeting on file and of record in my office. Said resolution has not been amended, modified or rescinded since the date of its adoption and the same is now in full force and effect.

WITNESS my hand this _____ day of _____.

Deputy Clerk of the Board of Supervisors
County of San Mateo