

RESOLUTION NO. 2008-09/23

RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS, 2006 ELECTION, SERIES B, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$40,000,000, AND REQUESTING THE BOARD OF SUPERVISORS OF SAN MATEO COUNTY TO SELL SAID BONDS ON BEHALF OF THE DISTRICT

WHEREAS, a special bond election was duly and regularly held in the Jefferson Union High School District (the "District") on November 7, 2006, under the procedures specified in Proposition 39 (Article XIII A Section 1 paragraph (b) of the California Constitution) for the purpose of submitting Measure N (the "Bond Measure") to the qualified electors of the District authorizing the issuance of general obligation bonds of the District in the maximum aggregate principal amount of \$136,900,000 (the "Bonds"), and more than 55% of the votes cast at said election were in favor of the issuance of the Bonds; and

WHEREAS, Section 15140 of the Education Code of the State of California (the "Education Code") requires that general obligation bonds of the District be offered for sale by the Board of Supervisors of the County of San Mateo (the "County") as soon as possible following receipt of a resolution adopted by the Board of Trustees of the District;

WHEREAS, the Board of Supervisors of the County, on behalf of the District, has previously issued an initial series of Bonds in the aggregate principal amount of \$50,000,000; and

WHEREAS, the Board of Trustees of the District wishes at this time to institute proceedings for the issuance and sale of a second series of Bonds in the form of current interest bonds or in the form of capital appreciation bonds, or both, in the aggregate principal amount of not to exceed \$40,000,000;

NOW, THEREFORE, the Board of Trustees of the Board of Trustees hereby finds, determines, declares and resolves as follows:

Section 1. Authorization and Terms of Series B Bonds. The Board of Trustees hereby authorizes the issuance of a series of Bonds to be designated the "Jefferson Union High School District (San Mateo County, California) General Obligation Bonds, 2006 Election, Series B" in the aggregate principal amount of not to exceed \$40,000,000 (the "Series B Bonds"). The Series B Bonds shall be issued under Chapter 1.5 of Part 10 of Division 1 of Title 1 of the California Education Code as in effect on the date of adoption hereof and as amended hereafter.

Section 2. Request to County to Sell Bonds. In accordance with Section 15140 of the California Education Code, the Board of Trustees hereby requests the Board of Supervisors of the County to issue and sell the Series B Bonds in the name and on behalf of the District. Proceeds of the Series B Bonds shall be expended by the District solely for purposes which are authorized under the Bond Measure.

Section 3. Form of Bonds. The Series B Bonds shall be issued in the form of current interest bonds bearing interest at the respective rates to be determined upon the sale of the Series B Bonds, payable on February 1 and August 1 in each year beginning February 1, 2010. In the event and to the extent approved by the Superintendent or the Associate Superintendent, Business Services of the District (each, an "Authorized Officer"), all or a portion of the Series B Bonds shall be issued as capital appreciation bonds which accrue interest at the respective rates to be determined upon the sale of the Series B Bonds, which interest shall compound on February 1 and August 1 in each year. The Series B Bonds shall mature on August 1 in each of the years and in the respective amounts as determined upon the sale of the Series B Bonds. The term of the Series B Bonds shall not exceed 25 years.

Section 4. Approval of Board of Supervisors Resolution. The resolution of the Board of Supervisors authorizing the sale of the Series B Bonds, in substantially the form on file with the Clerk of the Board, together with any additions thereto or changes therein deemed advisable by the Board of Supervisors and an Authorized Officer (the "County Resolution"), is hereby approved. The District agrees to carry out and perform all of the obligations imposed on it under the County Resolution. The Board of Trustees hereby acknowledges that the County is not responsible for payment of principal of and interest on the Series B Bonds, and that the County is not responsible for the application of the proceeds of the Series B Bonds. The Board of Trustees further acknowledges and agrees to the indemnification provisions of Section 4.07 of the County Resolution.

Section 5. Sale of the Series B Bonds. The Board of Supervisors of the County is hereby requested to sell the Series B Bonds by competitive public bidding. Bids shall be received, and the Series B Bonds shall be sold, subject to the terms and conditions set forth in the Official Notice of Sale in substantially the form on file with the Clerk of the Board, together with any additions thereto or changes therein deemed advisable by an Authorized Officer. The maximum rate of interest on any Series B Bonds which are sold as current interest bonds shall not exceed 8.00% per annum, and the maximum rate of interest on any Series B Bonds which are sold as capital appreciation bonds shall not exceed 12.00% per annum. The Board of Trustees has determined to sell the Series B Bonds by competitive public bidding for the following reasons:

- (a) for general obligation bonds, this method of sale is recommended by the California Debt and Investment Advisory Commission and by other agencies experienced in debt issuance;
- (b) competition to buy the District's bonds is reasonably expected to result in the lowest interest rates and the lowest overall cost for the District's taxpayers; and
- (c) in a competitive sale, the positive credit factors relating to the Series B Bonds will be publicly disseminated so that all interested bond purchasers can participate in the sale.

Notwithstanding the foregoing, the Board of Supervisors of the County is requested to sell the Series B Bonds by negotiated sale with an underwriter selected by an Authorized Officer upon the advice of the District's financial advisor, in the event that no bids are submitted at the competitive sale or all submitted bids are rejected pursuant

to the terms of the Official Notice of Sale. In such case, the Series B Bonds shall be sold pursuant to the terms of a Bond Purchase Agreement among the District, the County and the underwriter prepared by bond counsel, which contains all of the material terms and provisions of the Series B Bonds as set forth in the Official Notice of Sale. An Authorized Officer is hereby authorized and directed to execute and deliver the final form of such Bond Purchase Agreement, provided that the rate of interest on the Series B Bonds is within the limitations set forth above in this Section 5.

Section 6. Professional Services; Estimated Financing Costs. Dale Scott & Company Inc. has been selected to act as financial advisor to the District, and Jones Hall, A Professional Law Corporation, has been selected as the District's bond counsel. The estimated costs of issuance associated with the bond sale are \$340,000, which include the financial advisor and bond counsel fees, costs of printing the Official Statement, rating agency fees and paying agent fees, but which do not include underwriting fees and the cost of municipal bond insurance. The estimated cost of municipal bond insurance (if available) is \$700,000 and the estimated cost of underwriting the issue (which will be determined upon the sale of the Series B Bonds) is \$400,000.

Section 7. Security for the Series B Bonds. The Series B Bonds are general obligations of the District, and the Board of Trustees has the power to levy ad valorem taxes upon all property within the District subject to taxation, without limitation of rate or amount, for the payment of the Series B Bonds and the interest and redemption premium (if any) thereon, in accordance with and subject to Sections 15250 and Section 15252 of the Bond Law. The Board of Trustees hereby requests the County to levy ad valorem taxes for the payment of the Series B Bonds and the interest thereon, without limitation as to rate or amount.

Section 8. Tax Covenants.

(a) Private Activity Bond Limitation. The District shall assure that the proceeds of the Series B Bonds are not so used as to cause the Series B Bonds to meet the private business tests of Section 141(b) of the Internal Revenue Code of 1986, as amended (the "Tax Code") or the private loan financing test of Section 141(c) of the Tax Code.

(b) Federal Guarantee Prohibition. The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Series B Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Tax Code.

(c) Rebate Requirement. The District shall take any and all actions necessary to assure compliance with Section 148(f) of the Tax Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Series B Bonds.

(d) No Arbitrage. The District shall not take, or permit or suffer to be taken by the County of San Mateo or otherwise, any action with respect to the proceeds of the Series B Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Series B Bonds would have caused the Series B Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Tax Code.

(e) Maintenance of Tax-Exemption. The District shall take all actions necessary to assure the exclusion of interest on the Series B Bonds from the gross income of the owners of the Series B Bonds to the same extent as such interest is permitted to be excluded from gross income under the Tax Code as in effect on the date of issuance of the Series B Bonds.

Section 9. Preparation of Official Statement. The Board of Trustees hereby approves the preliminary Official Statement describing the Series B Bonds in the form on file with the Clerk of the Board, and hereby directs an Authorized Officer to approve additions and corrections thereto as required to cause the preliminary Official Statement to be deemed nearly final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934. An Authorized Officer is hereby authorized, at the request of the purchaser of the Series B Bonds, to execute an appropriate certificate affirming the determination that the preliminary Official Statement has been deemed nearly final within the meaning of such Rule. Distribution of the preliminary Official Statement by the financial advisor to prospective bidders for the Series B Bonds is hereby approved. The final Official Statement shall be executed in the name and on behalf of the District by an Authorized Officer.

Section 10. Continuing Disclosure. The Board of Trustees hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate to be executed by the District and dated the date of issuance and delivery of the Series B Bonds.

Section 11. Appointment of Paying Agent. The Board of Trustees hereby appoints the Tax Collector/Treasurer of the County to act as authenticating agent, transfer agent, registrar and paying agent for the Series B Bonds (the "Paying Agent"). The Paying Agent shall perform such duties as are imposed on it under the County Resolution. The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution and the County Resolution. An Authorized Officer is hereby authorized to execute an agreement or agreements with the Paying Agent in connection with such fees and expenses. The District further agrees to indemnify and save the Paying Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties which are not due to its negligence or bad faith.

Section 12. Costs of Issuance Custodian Agreement. As provided in the Official Notice of Sale, the original purchaser of the Series B Bonds is required to the costs of issuing the Series B Bonds from its own funds as a condition to the purchase of the Series B Bonds. The Board of Trustees hereby authorizes an Authorized Officer to enter into the Costs of Issuance Custodian Agreement with The Bank of New York Mellon Trust Company, N.A. in the form on file with the Clerk of the Board. As provided in said agreement, amounts provided by the original purchaser for payment of the costs of issuing the Series B Bonds shall be deposited thereunder and the payment of costs shall be requisitioned by an Authorized Officer in accordance with said agreement.

Section 13. Findings. The Board of Trustees hereby finds and determines that all acts, conditions and things required by law to be done or performed have been done

Section 13. Findings. The Board of Trustees hereby finds and determines that all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of the Series B Bonds is within all limits prescribed by law.

Section 14. Official Actions. The President of the Board, the Superintendent, the Associate Superintendent, Business Services, the Clerk of the Board and any and all other officers of the District are each authorized and directed in the name and on behalf of the District to execute and deliver any and all certificates, requisitions, agreements, notices, consents, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of the Series B Bonds. Whenever in this Resolution any officer of the District is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

Section 15. Effective Date of Resolution. This Resolution shall take effect from and after the date of its passage and adoption.

I hereby certify that the foregoing Resolution was passed and adopted by the Board of Trustees of the Jefferson Union High School District at a regular meeting thereof duly held on April 21, 2009, by a vote of a majority of its members.

Adopted by the following votes:

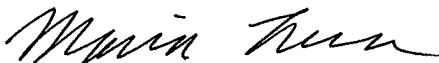
AYES: Maria S. Luna, Jeanne L. Matysiak, David K. Mineta, Thomas A. Nuris

NOES:

ABSENT: Katherine C. Zarate



President of the Board



Clerk of the Board