

19.b.1.b. Resolution of the Board of Trustees of the Palmdale School District Authorizing the Issuance and Sale of Second Series of Bonds under the November 6, 2012 Authorization, Not to Exceed \$30,000,000 Aggregate Principal Amount of Bonds of the Palmdale School District, by a Negotiated Sale Pursuant to a Bond Purchase Agreement, Prescribing the Terms of Sale, Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Agreement and a Continuing Disclosure Certificate, Approving the Form of and Authorizing the Distribution of an Official Statement for the Bonds, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions.

Rationale:

STATUS: The Board of Trustees is requested to approve the above-referenced resolution authorizing the District to issue its second series of bonds under the November 6, 2012 authorization in an aggregate principal amount not exceeding \$30,000,000.

The bonds will be sold and issued by the District. Mission Trail Advisors, LLC will serve as the financial advisor for the transaction, and Orrick, Herrington & Sutcliffe will serve as bond counsel and disclosure counsel. Stifel, Nicolaus & Company, Incorporated will serve as the underwriter.

The Board of Trustees is asked to approve the resolution referenced above to effect the issuance of the bonds and approve various documents and actions, as follows:

1. *Resolution.* The resolution authorizes the issuance of the bonds and establishes parameters for the terms thereof, approves the forms of and authorize the execution and delivery of the financing documents (including the Bond Purchase Agreement and the Continuing Disclosure Certificate), approves the form of and authorizes the distribution of the official statement (in preliminary and final form), and sets forth the security provisions for the bonds and the covenants of the District to bond owners.

2. *Bond Purchase Agreement.* The Bond Purchase Agreement will specify the purchase price of the bonds to be paid by the underwriter, the interest rates, maturity dates and principal amounts of each maturity of the bonds, the date, time and place of the closing of the bond issue, the allocation of the expenses incurred in connection with the bond issue, the parties’ representations to and agreements with each other and the conditions which the school district must satisfy before the underwriter becomes obligated to purchase the bonds.

3. *Continuing Disclosure Certificate.* Federal securities laws indirectly require school districts to disclose and annually update certain financial and operating information relevant to the security and repayment of bonds. The Continuing Disclosure Certificate contains the undertakings of the District to provide the ongoing disclosure in the form of annual reports and event notices.

4. *Official Statement.* The Official Statement (in its preliminary and final form) is used to provide information to investors and prospective investors about the District and the bonds. The bonds constitute securities for purposes of state and federal securities laws and, therefore, the offering and sale of the bonds through the Official Statement is subject to certain provisions of such laws, including, importantly, the anti-fraud laws. The Official Statement sets forth information about the terms of the bonds, the security for the bonds, the sources and uses of the proceeds of the bonds, the school district and the tax base of the school district, the documents under which the bonds are issued, and the tax-exemption of interest on the bonds.

The bonds will be paid from property taxes levied on property within the District levied and collected by the County of Los Angeles. The bonds will finance projects authorized by the voters at the November 6, 2012 election.

BACKGROUND: On November 6, 2012, the voters of the District approved Measure DD, authorizing the District to issue up to \$220,000,000 in aggregate principal of bonds for authorized projects.

THIS ACTION SUPPORTS STUDENT ACHIEVEMENT BY: Student Achievement is supported through sound fiscal management.

Recommended Motion:

It is recommended that the Board of Trustees approve the Resolution authorizing the issuance and sale of not to exceed \$30,000,000 aggregate principal amount of bonds.

Actions:





Motion

It is recommended that the Board of Trustees approve the Resolution authorizing the issuance and sale of not to exceed \$30,000,000 aggregate principal amount of bonds.

Passed with a motion by Ralph Velador and a second by Dennis Trujillo.

Vote:
Yes Joyce Ricks.
Yes Nancy Smith.
Yes Dennis Trujillo.
Yes Sharon Vega.
Yes Ralph Velador.

Attachments:

-  Bond Purchase Agreement - 2012 Series 2017B
-  Continuing Disclosure Certificate - 2012 Series 2017B
-  District Resolution - 2017B
-  Preliminary Official Statement - 2012 Series 2017B

Screenshot