



Agenda Date: 12/6/2005
Agenda Placement: 6T

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Krishan Chopra for Robert Westmeyer - County Counsel
County Counsel
REPORT BY: Krishan Chopra, Attorney III , 259-8273
SUBJECT: Issuance and Sale of Howell Mountain Elementary School District General Obligation Bonds,
Election of 2005, Series 2005

RECOMMENDATION

County Counsel requests adoption of a resolution authorizing the issuance and sale of Howell Mountain Elementary School District General Obligation Bonds, Election of 2005, Series 2005, in an aggregate principal amount not to exceed \$1,700,000, pursuant to Education Code Sections 15264 and 15140, Section 1 of Article XIII A of the California Constitution, and Section 18 of Article XVI of the California Constitution.

EXECUTIVE SUMMARY

An election was held on November 8, 2005 at which a proposition to issue Series 2005 Bonds in an aggregate principal amount not to exceed \$2,900,000 was submitted to the qualified voters of the Howell Mountain Elementary School District. The measure was approved by the requisite 55% of the qualified electors of the District.

The Board of Trustees of the District adopted its resolution to approve the issuance of the Series 2005 Bonds on December 1st, 2005. Education Code Section 15140 provides that the County Board of Supervisors shall issue bonds on behalf of the District following adoption of a resolution of the Board of Trustees of the District. Bond Counsel for the District, Nixon Peabody LLP, has prepared the resolution by which the Board will authorize issuance of the Series 2005 Bonds.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: As a ministerial project proposed to be carried out by the County, the requested action is not subject to CEQA. Public Resources Code Section 21080(b)(1).

BACKGROUND AND DISCUSSION

At the special election held on November 8, 2005, the qualified voters of the Howell Mountain Elementary School District voted on the following proposition:

“To improve the quality of education, shall the Howell Mountain Elementary School District be authorized to replace outdated plumbing and water systems, upgrade inadequate electrical systems to improve energy efficiency and increase student access to computers and modern technology, make health and safety improvements, modernize outdated classrooms, and upgrade old restrooms by issuing \$2,900,000 in bonds, within legal interest rates, with annual audits, a citizens’ oversight committee and NO money for administrators’ salaries?”

This proposition received the affirmative vote of more than fifty-five percent (55%) of all of the qualified voters voting on the proposition at the November 8, 2005 election, as certified by the Registrar of Voters of Napa County, in the official canvassing of votes.

The Board of Trustees of the District, on December 1st, 2005 adopted a resolution authorizing an initial series of bonds in an aggregate principal amount not-to-exceed \$1,700,000 to be offered for sale by the Napa County Board of Supervisors in a series to be designated “Howell Mountain Elementary School District General Obligation Bonds (Election of 2005), Series 2005.” The Bonds are being issued pursuant to Education Code Sections 15264 and 15140, Section 1 of Article XIII A of the California Constitution, and Section 18 of Article XVI of the California Constitution. Education Code Section 15140 provides that the County Board of Supervisors shall issue bonds on behalf of the District following adoption of a resolution of the Board of Trustees of the District.

The series 2005 Bonds shall bear or accrete interest at the rates set forth in the Purchase Contract (attached to the County Resolution as Exhibit B), which, for the issue as a whole shall not exceed a true interest cost of 8%. The principal of the Series 2005 Bonds shall mature on the dates and in the amounts set forth in the Purchase Contract, not to exceed 25 years from the date of delivery of the Series 2005 Bonds.

SUPPORTING DOCUMENTS

- A . Resolution Authorizing Issuance of Series 2005 Bonds
- B . Form of Bond Purchase Contract (Exhibit B to Resolution)

CEO Recommendation: Approve

Reviewed By: Lynn Perez