



Agenda Date: 3/15/2005
Agenda Placement: 6E

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: Napa Valley Community College District General Obligation Bonds Election of 2002, Series B

RECOMMENDATION

County Counsel requests adoption of a resolution authorizing the issuance and sale of Napa Valley Community College District General Obligation Bonds, Election of 2002, Series B in an aggregate principal amount not to exceed \$65,000,000, pursuant to Education Code Section 15140.

EXECUTIVE SUMMARY

In March 2003, the Board, on behalf of the District, issued Napa Valley Community College District General Obligation Bonds, Election of 2002, Series A, in an aggregate principal amount not to exceed \$25,000,000. The District now desires to issue a second series of bonds, the Napa Valley Community College District General Obligation Bonds, Election of 2002, Series B.

The Board of Trustees of the District adopted its resolution to approve the issuance of the Series B Bonds on February 24, 2005. Education Code Section 15410 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, Stradling Yocca, Carlson & Rauth, has prepared the resolution by which the Board will authorize the issuance of the Series B Bonds.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of

Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

An election was held in the Napa Valley Community College District (the "District"), Napa and Sonoma Counties, State of California, on November 5, 2002, at which the following proposition ("Measure N") was submitted to the qualified electors of the District:

"Shall Napa Valley Community College District prepare students for four-year colleges and jobs in nursing, health care, law enforcement, technology, business by constructing/repairing/equipping buildings, classrooms, libraries, computer labs; restoring deteriorating grounds, roofs; upgrading technology, lighting, wiring, fire-alarm systems for student safety; repairing plumbing and ventilation by issuing \$133,800,000 of bonds at legal rates, with a Citizens' Oversight Committee, annual audits and no bond money for administrator salaries?"

At such election, Measure N received the affirmative vote of fifty-five percent or more of the voters of the District voting on the proposition as certified by the Registrar of Voters of Napa County (the "County"), and Sonoma County in the official canvassing of votes.

In March 2003, the County Board of Supervisors on behalf of the District issued Series A bonds in an aggregate principal amount not to exceed \$25,000,000.

In order to raise money for the purposes described in Measure N and to pay all necessary legal, financial, engineering and contingent costs in connection therewith, at this time the Board of Trustees of the District has determined that it is necessary and desirable to request the Napa County Board of Supervisors to issue a second series of general obligation bonds in an aggregate principal amount not to exceed \$65,000,000 to be designated as the "Napa Valley Community College District General Obligation Bonds, Election of 2002, Series B" (the "Series B Bonds").

Education Code Section 15410 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 B Bonds shall bear or accrete interest at the rates set forth in the Purchase Contract, which, for the issue as a whole shall not exceed an annual interest cost of 8 %. The principal of the Series B 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 B Bonds.

SUPPORTING DOCUMENTS

A . Resolution

CEO Recommendation: Approve

Reviewed By: Lorenzo Ziálcita