

CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT

June 21, 2016

Agenda Item: 5.7

Subject: Adoption of Resolution No. 09-1516 Amending Resolution No. 08-1415 Regarding the Issuance of Chabot-Las Positas Community College District 2015 General Obligation Refunding Bonds and Approving the Forms of Preliminary Official Statement, Purchase Contract and Escrow Agreement Therefor

Background: An election was held in the Chabot-Las Positas Community College District (the “District”) on March 2, 2004 for the issuance and sale of general obligation bonds of the District for various purposes in the maximum amount of \$498,000,000 (the “2004 Authorization”). The District has issued bonds under the 2004 Authorization, including its Chabot-Las Positas Community College District, Alameda and Contra Costa Counties, California, General Obligation Bonds, Election of 2004, Series 2006C (the “2006C Bonds”) in an aggregate principal amount of \$168,838,667.35. The District has also previously issued general obligation refunding bonds in a principal amount of \$89,275,849.20 (the “2006 Refunding Bonds”) to refund a portion of its General Obligation Bonds, Election of 2004, Series 2004A (the “2004A Bonds”), which Series 2004A Bonds were also issued under the 2004 Authorization. The 2006 Refunding Bonds, together with the 2006C Bonds, for all purposes herein, shall be defined as the “Prior Bonds.”

On March 17, 2015 the District adopted Resolution No. 08-1415 (the “Prior Resolution”), pursuant to which the Board of Trustees authorized the issuance of general obligation refunding bonds in an aggregate principal amount not-to-exceed \$165,000,000 (the “Refunding Bonds”) in order to refund all or a portion of the outstanding Prior Bonds (so refunded, the “Refunded Bonds”). The Prior Resolution approved the forms of a Purchase Contract, Preliminary Official Statement and Escrow Agreement in connection with the issuance of the Refunding Bonds. At this time, the District desires to approve updated forms of the Purchase Contract, Preliminary Official Statement and Escrow Agreement in connection with the issuance of the Refunding Bonds and to amend the Prior Resolution, as further described below.

(a) Bond Resolution. The Prior Resolution is amended to update the name of the Refunding Bonds and the definition of securities that may be used to defease the Refunding Bonds, consistent with current public finance practice.

(b) Form of Purchase Contract. Pursuant to the Purchase Contract, Piper Jaffray & Co. and Rice Financial Products Company (the “Underwriters”) will agree to buy the Refunding Bonds from the District. All the conditions of closing the transaction are set forth in this document, including the documentation to be provided at the closing by various parties. Upon the pricing of the Refunding Bonds, the final execution copy of the Purchase Contract will be prepared following this form.

(c) Escrow Agreement. Pursuant to the Escrow Agreement, proceeds from the sale of the Refunding Bonds in an amount sufficient to redeem the outstanding Refunded Bonds will be deposited in an escrow fund (the “Escrow Fund”) held by U.S. Bank National Association (acting as “Escrow Agent”). The monies in the Escrow Fund will be used by the Escrow Agent to refund the Refunded Bonds on the first date upon which such refunding becomes legally permissible (August 1, 2016). As a result of the deposit and application of funds so provided in the Escrow Agreement, the Refunded Bonds will be defeased and the obligations of Alameda County and Contra Costa County to levy *ad valorem* taxes for payment of the Refunded Bonds will cease.

(d) Form of Preliminary Official Statement. The Preliminary Official Statement (“POS”) is the offering document describing the Refunding Bonds which may be distributed to prospective purchasers of the Refunding Bonds. The POS discloses information with respect to among other things (i) the proposed uses of proceeds of the Refunding Bonds, (ii) the terms of the Refunding Bonds (interest rate, redemption terms, etc.), (iii) the bond insurance policy for the Refunding Bonds, if any, (iv) the security for repayment of the Refunding Bonds (the tax levy), (v) current information with respect to the District’s tax base (upon which such *ad valorem* taxes may be levied), (vi) current District financial and operating data, (vii) continuing disclosure with respect to the Refunding Bonds and the District, and (viii) absence of litigation and other miscellaneous matters expected to be of interest to prospective purchasers of the Refunding Bonds. Following the pricing of the Refunding Bonds, a final Official Statement for the Refunding Bonds will be prepared, substantially in the form of the POS.

Fiscal Impact

There is no fiscal impact to the General Fund resulting from the issuance of the Refunding Bonds.

Recommended Action: That the Board of Trustees adopts Resolution No. 09-1516 Amending Resolution No. 08-1415 Regarding the Issuance of Chabot-Las Positas Community College District 2015 General Obligation Refunding Bonds and Approving the Forms of Preliminary Official Statement, Purchase Contract and Escrow Agreement Therefor.

Submitted by: Lorenzo Legaspi/Date

Approved: Jannett N. Jackson/Date

_____APPROVED

_____DISAPPROVED

_____TABLED