

**RESOLUTION NO.:** \_\_\_\_\_

**Dated:** \_\_\_\_\_

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AUTHORIZING THE CARLSBAD UNIFIED SCHOOL DISTRICT TO ISSUE AND SELL BONDS, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT AGREEMENT AND INVESTMENT MANAGEMENT AGREEMENT, DIRECTING THE COUNTY AUDITOR AND CONTROLLER TO MAINTAIN TAXES ON THE TAX ROLL, AND AUTHORIZING THE EXECUTION OF NECESSARY CERTIFICATES RELATING TO SAID BONDS**

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RECITALS:

WHEREAS, an election was duly called and regularly held in the Carlsbad Unified School District, County of San Diego, California (herein called the "District"), on November 6, 2018, pursuant to Section 15100 and following of the Education Code of the State of California (the "Education Code"), at which a bond proposition ("Proposition HH") summarized as follows was submitted to the electors of the District:

"To upgrade classrooms, science labs and technology that support student achievement, college preparation and career skills for math, science, engineering, healthcare and skilled trades; fix deteriorating roofs, plumbing/wiring; improve safety and security; renovate, construct, acquire classrooms, sites, equipment/facilities, shall this Carlsbad Unified School District measure authorizing \$265,000,000 in bonds at legal rates, levying 3 cents/\$100 assessed value (\$13,000,000 annually) while bonds are outstanding, be adopted, with taxpayer oversight, no administrator salaries, all money staying local"; and

WHEREAS, passage of Proposition HH required a 55% affirmative vote of the votes cast thereon, and 62.51% of the votes cast on Proposition HH were in favor of issuing bonds as described therein; and

WHEREAS, on June 27, 2019, a series of said bonds designated the "Carlsbad Unified School District (San Diego County, California) Election of 2018 General Obligation Bonds, Series A" (the "Series A Bonds") in an aggregate principal amount of \$84,995,000 was issued and sold; and

WHEREAS, the Superintendent of Schools of the County of San Diego, California has jurisdiction over the District; and

WHEREAS, Sections 53506 et seq. of the Government Code of the State of California (the "Government Code"), including Section 53508.7 thereof, provide that a school district may issue and sell bonds on its own behalf at a private or competitive sale pursuant to Section 15140 or 15146 of the Education Code of the State of California (the "Education Code"); and

WHEREAS, Section 15140(b) of the Education Code provides that the Board of Supervisors of a county may authorize a school district over which the County Superintendent of Schools has jurisdiction, and which has not received a qualified or negative certification in its most recent interim report, to issue and sell bonds on its own behalf without further action of the Board of Supervisors or officers of the county; and

Rev. 2-20-19

WHEREAS, the District has advised the County that it has not received a qualified or negative interim financial report for its most recent interim financial report; and

WHEREAS, the Governing Board of the District has heretofore adopted a resolution (the "District Resolution"), an electronic copy of which has been filed with the Clerk of this Board of Supervisors, acting on behalf of the District, providing for the issuance of the Bonds of the School District (General Obligation Bonds, 2018 Election, Series B), in the aggregate principal amount not to exceed \$93,000,000 (the "Series B Bonds") pursuant to Section 53506 et seq. of the Government Code and additionally providing for the competitive or negotiated sale thereof; and

WHEREAS, the District, through the District Resolution, has requested that this Board of Supervisors of the County of San Diego (the "County") authorize the District to issue the Series B Bonds on its own behalf and sell the Series B Bonds at a competitive or negotiated sale, all pursuant to Sections 53506 et seq. of the Government Code and Section 15140(b) of the Education Code, and has represented and warranted to this Board of Supervisors that it has not received a qualified or negative certification in its most recent interim report; and

WHEREAS, Piper Sandler & Co. has been engaged by the District to act as financial advisor (the "Financial Advisor") to the District, and Stradling Yocca Carlson & Rauth, a Professional Corporation, has been engaged as bond counsel ("Bond Counsel") and as disclosure counsel to the District with respect to the Series B Bonds; and

WHEREAS, the District has requested the County through the office of the Treasurer-Tax Collector of the County (the "Treasurer-Tax Collector") to serve as paying agent for the Series B Bonds, pursuant to a Paying Agent Agreement (the "Paying Agent Agreement"), by and between the District and the County; and

WHEREAS, the County through the office of the Treasurer-Tax Collector will manage the investment of proceeds of the Series B Bonds pursuant to an Investment Management Agreement (the "Investment Management Agreement"), by and between the District and the County; and

WHEREAS, Senate Bill 1029 (2016) "SB1029" was signed by the California Governor on September 12, 2016 and places additional responsibilities on any issuer of public debt including adopting debt management policies that meet certain criteria; and

WHEREAS, the District represents that it is in compliance with SB1029 pre-issuance requirements and will comply with all post-issuance requirements of SB1029; and

WHEREAS, the Governing Board of the District has requested that the County levy the necessary taxes each year to pay the Series B Bonds as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO AS FOLLOWS:

**Section 1.        Recitals.** On information and belief, all of the above recitals are true and correct.

**Section 2. District Resolution Received.** This Board of Supervisors (the “County Board”) hereby acknowledges receipt of an electronic copy of the District Resolution.

**Section 3. Authorization of District Issuance and Sale.** The County Board hereby authorizes the issuance and sale of the Series B Bonds by the District on its own behalf, pursuant to the terms determined by the District and authorized by Section 15140 and 15146 of the Education Code, as permitted by Section 53508.7 of the Government Code.

**Section 4. Purpose.** The purpose of this action is to permit the District to sell its Series B Bonds in the manner that the District determines is in its best interests and the best interests of its taxpayers.

**Section 5. District Responsibilities.** Pursuant to Section 15140(c) of the Education Code, the Governing Board of the District has transmitted the District Resolution to the County and shall, forthwith after the sale of the Series B Bonds, transmit a copy of the final debt service schedule for the Series B Bonds, reflecting the principal amounts and interest rates of the Series B Bonds as determined upon the sale thereof, to the County Auditor and Controller and Treasurer-Tax Collector, in order to permit the County to establish tax rates and necessary funds or accounts for the Series B Bonds.

**Section 6. County Responsibilities.**

- a) The County, including the officers thereof and the Board, assumes no responsibility for any of the proceedings following the adoption of this Resolution which involve or result in the sale and issuance of the Series B Bonds.
- b) The County shall levy and collect taxes, sufficient to pay principal of and interest on behalf of the District on the Series B Bonds when due, and hold the bond proceeds and tax levy for bonds that have been duly issued and sold by the District as otherwise required by law.
- c) The County, including the officers thereof and the Board, assumes no responsibility for establishing a tax rate for any of the Series B Bonds in any year in which the information required by Section 5 hereof to be delivered to the County Auditor and Controller and Treasurer-Tax Collector is delivered later than the deadline established by such officers in order to permit compliance with Government Code Section 29100 and following.

**Section 7. Approval of Paying Agent Agreement.** The Paying Agent Agreement relating to the Series B Bonds, between the District and the Treasurer-Tax Collector, as paying agent/registrar and transfer agent or such other entity specified therein as paying agent (the “Paying Agent”), in substantially the form submitted to and on file with the Clerk of this Board of Supervisors, is hereby approved. The Treasurer-Tax Collector, or a deputy or officer thereof (an “Authorized Officer”), is hereby authorized to execute and deliver an instrument or instruments in substantially said form, including supplements thereto, completed with the terms of the Series B Bonds determined upon the sale thereof, and with such other changes thereto as an Authorized Officer may require or approve, and the Treasurer-Tax Collector’s approval of the Paying Agent Agreement and any supplements thereto shall be conclusively evidenced by the execution and delivery thereof by an Authorized Officer.

**Section 8. Deposit and Investment of Proceeds and Approval of the Investment Management Agreement.** Except as otherwise provided by law, the proceeds of sale of the Series B Bonds, exclusive of any premium and accrued interest received, shall be deposited in the County treasury to the credit of the building fund of the District and may be used for any authorized purpose,

Rev. 2-20-19

including, without limitation, the payment of issuance costs, pursuant to the terms and conditions of the District Resolution and of the Paying Agent Agreement. Any premium and accrued interest received by the District shall be deposited upon receipt in the interest and sinking fund of the District within the County treasury as further described in the District Resolution.

The Investment Management Agreement, between the District and the County, in substantially the form on file with the Clerk of the Board of Supervisors, is hereby approved. The Treasurer-Tax Collector or any deputy thereof, or his or her designee, on behalf of the County is hereby authorized to execute and deliver the Investment Management Agreement in substantially said form, and with such other changes thereto as the Treasurer-Tax Collector executing the same may require or approve, and the County's approval of the Investment Management Agreement shall be conclusively evidenced by the execution and delivery thereof by the Treasurer-Tax Collector.

Any funds invested outside the County Investment Pool are the sole responsibility of the District. The Treasurer-Tax Collector takes no responsibility for investments outside of the County Investment Pool, including the selection, on-going management, and accounting of such funds.

**Section 9. Tax Covenants.** The County acknowledges and relies upon the fact that the District will represent and has covenanted in the District Resolution that it shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on any Series B Bonds, and that it will comply with the requirements of the Tax Certificate, and further that such representation and covenant shall survive payment in full or defeasance of the Series B Bonds. The County hereby covenants that neither it nor the officers of the County shall take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on the Series B Bonds.

**Section 10. Limited Responsibility for Official Statement.** Neither the Board nor any officer of the County has prepared or reviewed any official statement of the District describing the Series B Bonds (each, an "Official Statement"), and this Board and the various officers of the County take no responsibility for the contents or distribution thereof; provided, however, that solely with respect to a section contained or to be contained therein describing the County's investment policy, current portfolio holdings, and valuation procedures, as they may relate to funds of the District held by the Treasurer-Tax Collector, the Treasurer-Tax Collector is hereby authorized and directed to prepare and review such information for inclusion in any Official Statement and in a preliminary form of any Official Statement, and to certify in writing to the District prior to or upon the issuance of the Series B Bonds that the information contained in such section does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading.

**Section 11. Limited Liability.** Notwithstanding anything to the contrary contained herein, the Series B Bonds or in any other document mentioned herein, neither the County nor the County Board of Supervisors shall have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby and the Series B Bonds shall be payable solely from the monies of the District available therefore as set forth in the District Resolution and herein.

**Section 12. Approval of Actions.** The Chair, the Clerk, the County Auditor and Controller, the County Counsel, and the Treasurer-Tax Collector, and the deputies and designees of any of them,

Rev. 2-20-19

are hereby authorized and directed to execute and deliver any and all agreements, certificates and representations, as may be acceptable to County Counsel, including signature certificates, no-litigation certificates, debt capacity certificates, and other certificates or documents proposed to be executed in connection with the issuance and sale of the Series B Bonds by the District, necessary and desirable to accomplish or administer the transactions authorized herein.

**Section 13.**     **Effective Date.** This resolution shall take effect from and after its adoption.

APPROVED AS TO FORM AND LEGALITY  
COUNTY COUNSEL

By: RACHEL H. WITT, CHIEF DEPUTY