



Agenda Item Details

Meeting	Jul 14, 2021 - Regular Meeting of the Board of Trustees
Category	14. ACTION ITEMS
Subject	14.02 Resolution No. 21-02 - A Resolution of the Board of Trustees of the Mt. San Antonio Community College District Authorizing the Issuance of Mt. San Antonio Community College District (Los Angeles County, California) Election of 2018 General Obligation Bonds, Series 2021C, and Actions Related Thereto
Type	Action
Recommended Action	It is recommended that the Board of Trustees authorizes the approval of Resolution No. 21-02 - a resolution of the Board of Trustees of the Mt. San Antonio Community College District authorizing the issuance of Mt. San Antonio Community College District (Los Angeles County, California) election of 2018 General Obligation Bonds, Series 2021C, and actions related thereto.

Prepared by: Morris Rodrigue

BACKGROUND

An election was held in the Mt. San Antonio Community College District (the "District") on November 6, 2018 for the issuance and sale of general obligation bonds of the District for various purposes in the maximum amount of \$750,000,000 ("Measure GO"). The District now desires to issue its third series of bonds under Measure GO in an amount not-to-exceed \$250,000,000 (the "Bonds"). The Bonds are being authorized for sale for the purpose of providing funds (i) to finance projects approved by Measure GO, and (ii) to pay the costs of issuing the Bonds.

1. Bond Resolution. This Resolution authorizes the issuance of the Bonds, specifies the basic terms, parameters and forms of the Bonds, and approves the form of Purchase Contract and form of Preliminary Official Statement described below. In particular, Section 1 of the Resolution establishes the maximum aggregate initial principal amount of the Bonds to be issued (\$250,000,000). Section 4 of the Resolution states the maximum underwriter's discount (0.50%) with respect to the Bonds, the maximum legal interest rate on the Bonds, and authorizes the Bonds to be sold at a negotiated sale to RBC Capital Markets, LLC and Stifel Nicolaus & Company, Incorporated (the "Underwriters"). The Resolution authorizes the issuance of current interest bonds only; capital appreciation bonds are not authorized.
2. Form of Purchase Contract. Pursuant to the Purchase Contract, the Underwriters will agree to buy the 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 Bonds, the final execution copy of the Purchase Contract will be prepared following this form.
3. Form of Preliminary Official Statement. The Preliminary Official Statement ("POS") is the offering document describing the Bonds which may be distributed to prospective purchasers of the Bonds. The POS discloses information with respect to among other things (i) the proposed uses of proceeds of the Bonds, (ii) the terms of the Bonds (interest rate, redemption terms, etc.), (iii) the bond insurance policy for the Bonds, if any, (iv) the security for repayment of the Bonds (the ad valorem property tax levy), (v) information with respect to the District's tax base (upon which such ad valorem property taxes may be levied), (vi) District financial and operating data, (vii) continuing disclosure with respect to the Bonds and the District, and (viii) absence of litigation and other miscellaneous matters expected to be of interest to prospective purchasers of the Bonds. Following the pricing of the Bonds, a final Official Statement for the Bonds will be prepared, substantially in the form of the POS.

4. Form of the Continuing Disclosure Certificate. The form of the Continuing Disclosure Certificate can be found in APPENDIX C to the POS. Effective July 3, 1995, all underwriters of municipal bonds are obligated to procure from any public agency issuing debt a covenant that such public agency will annually file “material financial information and operating data” with respect to such public agency through the web-based Electronic Municipal Market Access (“EMMA”) system maintained by the Municipal Securities Rulemaking Board (a federal agency that regulates “broker-dealers,” including investment bank firms that underwrite municipal obligations). This requirement is expected to be satisfied by the filing of the District’s audited financial statements and other operating information about the District, in the same manner the District has filed in connection with prior bond issuances.

ANALYSIS AND FISCAL IMPACT

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

Funding Source

Not applicable.

ATTACHMENT-Resolution No. 21-02 Mt. San Antonio CCD (Election of 2018, Series 2021C), 4837-5559-7034_3.pdf (274 KB)

ATTACHMENT-POS Mt. San Antonio CCD (GO Bonds Election of 2018 Series 2021C Election of 2008 Series 2021E 2021 Refunding Bonds).pdf (1,193 KB)

ATTACHMENT-Purchase Contract [Mt. San Antonio CCD (GO Bonds Election of 2018, Series 2021C and Election of 2008 GO Bonds, Series 2021E)].pdf (283 KB)

Motion & Voting

It is recommended that the Board of Trustees authorizes the approval of Resolution No. 21-02 - a resolution of the Board of Trustees of the Mt. San Antonio Community College District authorizing the issuance of Mt. San Antonio Community College District (Los Angeles County, California) election of 2018 General Obligation Bonds, Series 2021C, and actions related thereto.

Motion by Peter Hidalgo, second by Manuel Baca.

Final Resolution: Motion Carries

Yea: Jay Chen, Judy Chen Haggerty, Laura Santos, Manuel Baca, Robert Hidalgo, Gary Chow, Peter Hidalgo