

AGENDA
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
BOARD OF TRUSTEES REGULAR MEETING

September 26, 2018

Closed Session at 5:00 p.m.; Open Meeting at 6:00 p.m.

District Office Board Room, 3401 CSM Drive, San Mateo, CA 94402

NOTICE ABOUT PUBLIC PARTICIPATION AT BOARD MEETINGS

The Board welcomes public discussion.

- *The public's comments on agenda items will be taken at the time the item is discussed by the Board.*
 - *To comment on items not on the agenda, a member of the public may address the Board under "Statements from the Public on Non-Agenda Items;" at this time, there can be discussion on any matter related to the Colleges or the District, except for personnel items. No more than 20 minutes will be allocated for this section of the agenda. No Board response will be made nor is Board action permitted on matters presented under this agenda topic.*
 - *If a member of the public wishes to present a proposal to be included on a future Board agenda, arrangements should be made through the Chancellor's Office at least seven days in advance of the meeting. These matters will be heard under the agenda item "Presentations to the Board by Persons or Delegations." A member of the public may also write to the Board regarding District business; letters can be addressed to 3401 CSM Drive, San Mateo, CA 94402.*
 - *Persons with disabilities who require auxiliary aids or services will be provided such aids with a three day notice. For further information, contact the Executive Assistant to the Board at (650) 358-6753.*
 - *Regular Board meetings are recorded; recordings are kept for one month.*
 - *Government Code §54957.5 states that public records relating to any item on the open session agenda for a regular board meeting should be made available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to the members of the Board. The Board has designated the Chancellor's Office at 3401 CSM Drive for the purpose of making those public records available for later inspection; members of the public should call 650-358-6753 to arrange a time for such inspection.*
-

5:00 p.m. Call to Order

ANNOUNCEMENT OF CLOSED SESSION ITEMS FOR DISCUSSION

1. Conference with Legal Counsel Regarding Three Cases of Existing Litigation:
 - a. San Mateo County Community College District v LocusPoint Networks, LLC, et al, Case No. 17CIV01534
 - b. LocusPoint Networks, LLC, et al v San Mateo County Community College District, Case No. 17CIV01550
 - c. LocusPoint Networks, LLC, et al. v San Mateo County Community College District, Case No. 17CIV04899
2. Conference with Legal Counsel Regarding One Case of Potential Litigation Pursuant to Subdivision (c) of Section 54956.9
3. Public Employee Discipline, Dismissal, Release

PUBLIC COMMENTS ON CLOSED SESSION ITEMS ONLY

RECESS TO CLOSED SESSION

RECONVENE TO OPEN SESSION

6:00 p.m. Call to Order/Roll Call

Pledge of Allegiance

ANNOUNCEMENT OF REPORTABLE ACTION TAKEN IN CLOSED SESSION

DISCUSSION OF THE ORDER OF THE AGENDA

STATEMENTS FROM EXECUTIVES AND STUDENT REPRESENTATIVES

PRESENTATIONS TO THE BOARD BY PERSONS OR DELEGATIONS

18-9-2C Report on Upward Scholars Program

BOARD SERIES PRESENTATION – INNOVATIONS IN TEACHING, LEARNING AND SUPPORT SERVICES

18-9-3C Fall Launch of Meta Majors and Guided Pathways at Skyline College

STATEMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS

NEW BUSINESS

18-9-3A Approval of Personnel Items: Changes in Assignment, Compensation, Placement, Leaves, Staff Allocations and Classification of Academic and Classified Personnel

Approval of Consent Agenda

All items on the consent agenda may, by unanimous vote of the Board members present, be approved by one motion after allowing for Board member questions about a particular item. Prior to a motion for approval of the consent agenda, any Board member, interested student or citizen or member of the staff may request that an item be removed to be discussed in the order listed, after approval of remaining items on the consent agenda.

18-9-1CA Approval of Appointment to Educational Housing Corporation

18-9-2CA Approval of Appointment to Bond Oversight Committee

18-9-3CA Approval of Regional Share Strong Workforce Program Funds from Cabrillo Community College District/BACCC

Other Recommendations

18-9-102B Adoption of Resolution No. 18-24 Authorizing the Issuance and Sale of San Mateo County Community College District 2018 General Obligation Bonds (Election of 2014), Series B, in an Aggregate Principal Amount Not To Exceed \$261,000,000

18-9-103B Adoption of Resolution No. 18-25 Authorizing the Issuance and Sale of 2018 General Obligation Refunding Bonds in an Aggregate Principal Amount Not To Exceed \$65,000,000

18-9-104B Authorization of Sole Source Purchase of Transmitter for KCSM-FM

18-9-105B Approval of Construction Consultants

INFORMATION REPORTS

18-9-4C Discussion with AFSCME Regarding Interests in Future Negotiations

COMMUNICATIONS

STATEMENTS FROM BOARD MEMBERS

RECONVENE TO CLOSED SESSION (if necessary)

RECONVENE TO OPEN SESSION (if necessary)

ANNOUNCEMENT OF REPORTABLE ACTION TAKEN IN CLOSED SESSION (if necessary)

ADJOURNMENT



President's Report to the Board of Trustees

Dr. Regina Stanback Stroud



Beyond the Margins Equity Forum (BTMEF), Stay Woke: A Discussion About Student Success

SKYLINE COLLEGE BOARD REPORT

SEPTEMBER 26, 2018

FORUM ON INSTITUTIONAL RESPONSIBILITY FOR STUDENT SUCCESS



On September 12, 2018, the Office of Student Equity and Support Programs hosted the Beyond the Margins Equity Forum (BTMEF), *Stay Woke: A Discussion About Student Success at Skyline College*. This event brought together a cross-section of 65 students, staff, faculty and administrators to have a collective conversation about issues salient to the campus community.

Using key findings from the Student Voice Survey, the forum focused on economic marginalization and its impact on a student’s educational experience, and how institutional policies, practices and procedures can be responsive to student needs.

The program opened with welcoming remarks from Dean Lasana Hotep followed by a presentation from faculty facilitator, Jesse Raskin who provided information to help frame the discussion about Student Success. He stated, “Ensuring success in higher education among historically marginalized students is our institutional responsibility.”

The program also featured a panel including Rika Fabian (Professor of Sociology), Ivan Silva (Promise Scholar Counselor) and Danielle Powell (Professor of Communication Studies). Rika Fabian presented Student Voice Survey Data on students experiencing housing insecurity, food insecurity and the inability

to afford required textbooks, resulting in taking fewer classes, not register for a required course on their SEP and/or perform poorly in a class. Ivan Silva provided the audience with a working definition of marginalization and how the condition of being marginalized by an educational institution affects students academically, socially and psychologically. Danielle Powell discussed her work with the Women’s Mentoring and Leadership Academy and the strategies she has used to ensure students receive the support they need in order to be successful.

Article by Katrina Pantig | Photo by Zaw Min Khant

PROMINENT BAY AREA ARTISTS TO SHOW AT SKYLINE COLLEGE



TROPEY(CALIA CLUB



The Skyline College Art gallery is proud to present Tropeycalia Club, a group installation of paintings, sculpture and more by prominent Bay Area artists John Yoyogi Fortes, Juan Carlos Quintana and Carlo Ricafort. The exhibition runs from September 22, 2018 to October 20, 2018. A reception will be held for the artists on Saturday, September 22 from 3:00-5:00 p.m. at the Skyline College Art Gallery.

The title of the exhibition is a play on the 1960’s Brazilian music movement, Tropicalia. Using a conscious misspelling of ‘tropey’, the show explores myriad tropes associated with everything tropical. In his essay about the exhibition, artist and gallerist Arvin Flores explains, “Tales of exotic places, fantasy islands, and otherworldly paradises, utopian in essence, are discourses about the

SKYLINE COLLEGE BOARD REPORT

SEPTEMBER 26, 2018

ideal, and thus political by nature. This notion has given inspiration to such classic gangsta rap hits as manifest destiny, or turn of the century eugenics, both having racist leanings with genocidal outcomes. In short, colonial mentality is but a reflection of the master's image, and colonial states are bastardized versions of the ideal (of course this is not a news flash to everyone)."

The exhibiting artists both embrace and scathingly satirize kitsch tropical imagery that abounds in movies, TV shows, art, music, travel brochures and tourist trap souvenir shops. Imagery runs the gamut from coconut palm trees to stereotyped musicians, to tiki dolls, cannibals, pineapples and bleached bones scattered about on desert islands. Viewers are invited to participate in both deciphering the ways in which these tropical tropes perpetuate themselves in culture, and examining the unexplored and conditioned mental spaces from which these tropes' biases and prejudices arise.

Viewers are also invited to make their own Tropeycalia drawings that can be added to a large collaborative mural project in the gallery. Participate by sending a jpeg image (300 dpi) of a black and white drawing of what comes to mind when you yearn to escape to or from the tropics. Image must be vertical and fit on an 8.5" X 11" sheet of paper. Color images will be converted to black and white. Selected submissions will be printed and installed as a collaborative piece on the gallery wall. Please submit image no later than Oct 6, 2018. (Disclaimer: By sending an image you give Tropeycalia Club and Skyline College Art Gallery permission to include your image in the exhibitions promotional material, social media, internet and print. All submitted images, both electronic and printed, will be destroyed after the close of the Tropeycalia Club exhibition.)

Send image to: tropeycaliacub@gmail.com. For more information, visit [facebook.com/skygallery](https://www.facebook.com/skygallery)

Article by Paul Bridenbaugh, Arvin Flores, and Juan Carlos Quintana | Photos by Paul Bridenbaugh

SKYLINE COLLEGE STUDENTS STEAL THE SHOW AT STATEWIDE SUSTAINABILITY CONFERENCE



Over the summer, the Skyline College and SMCCCD District Sustainability Teams traveled to UC Santa Barbara for the annual California Higher Education Sustainability Conference (CHESC).

The highlight of the conference was the outstanding presentation given by Kelly Wong and Richard Ou, two Skyline College students from the Environmental Club. Kelly and Richard accepted the Student Leadership Best Practice Award on behalf of the club and presented on their efforts to maintain sustainability projects started by their predecessors. Their session was so popular that it had to move to a bigger room to accommodate the larger audience.

Richard, co-president of the Environmental Club, reflects on what he took away from the conference: "Sustainability was obviously the focus of the conference, but I was surprised to see how many different industries were committed to sustainability. There were companies and projects specializing in food, power, IT, and so much more. The conference allowed us and other professionals to show how we can be more creative and mindful in everything we do."

In addition to presenting on campus and district sustainability efforts and learning about other higher education institutions' sustainability programs, the Skyline College and SMCCCD team accepted several of the conferences' Best Practice Awards. Skyline College received a Sustainability in Academics award

SKYLINE COLLEGE BOARD REPORT

SEPTEMBER 26, 2018

for the Sustainability Blitz and was part of the group that won the Multi Campus Partnership award for its work with the Energize Colleges program. The SMCCCD Sustainability Team brought home awards for its hard work on waste reduction, energy efficiency, and water efficiency and quality. SMCCCD's Energy and Sustainability Manager Joe Fullerton was also recognized as the California Community Colleges Sustainability Champion.

Article by Mary Thomasmeyer

SAN MATEO COMMUNITY COLLEGE DISTRICT CELEBRATES UNDOCUMENTED STUDENT GRADUATE



The journey to transfer and graduation is filled with many challenges, especially for undocumented and immigrant students. Last spring, Skyline College, College of San Mateo, and Cañada College partnered up to create SMCCCD's first ever Migration Celebration, which aimed to celebrate the journeys, families, and achievements of undocumented and immigrant student graduates.

The Migration Celebration featured student leader speakers from each campus who shared their stories, experiences at SMCCCD, and words of inspiration for their graduating cohort. The ceremony recognized a total of 18 students who had earned a certificate, Associate's degree, or were transferring to a 4-year institution. The students expressed excitement about being a part of the first Migration Celebration Cohort

and stressed the importance of these events in inspiring other students to persist through their college journeys. The three District Dream Centers are excited to continue this collaboration for years to come. If you are interested in participating or volunteering at this year's Migration Celebration please visit the Skyline College Dream Center.

Article and photo by Pamela Ortiz Cerda

SCIENCE IN ACTION SEMINAR SERIES BRINGS SPEAKERS TO CAMPUS



The Science in Action Seminars are held every two weeks on Wednesday at 4:30 p.m. in Building 7, Room 7106.

This biweekly series is presented in partnership with the San Francisco State University Bridges to Baccalaureate Program, the Skyline College Science, Math & Technology Division, and the Math, Engineering, Science Achievement Program (MESA).

The lecture series is free and open to the public. The topics vary and are geared not only towards science, but the entire college experience, so non-science students are encouraged to attend. Attendance confirmation slips are provided. We look forward to seeing you there!

For more information on the Science in Action Lecture Series, please contact Ana Gutierrez-Gamez.

The inaugural talk was by Blair Bazdarich, Outreach and Teen Program Manager at the San Francisco Zoo. She talked about becoming a Science communicator and about her blog and her work with the Zoomobile.

SKYLINE COLLEGE BOARD REPORT

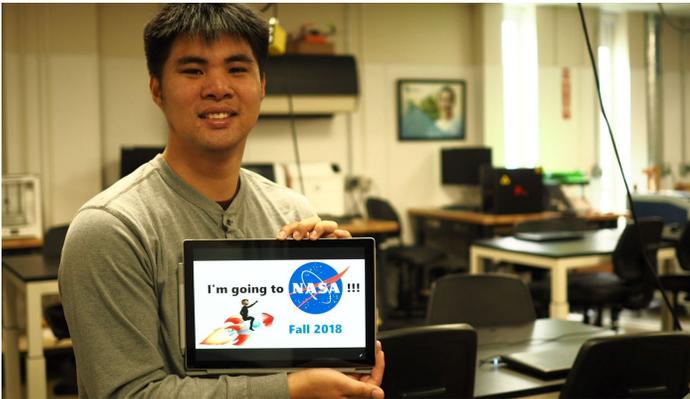
SEPTEMBER 26, 2018

The following event was a Bridges/PUMAS student panel where current and past Skyline College students who participated in the summer internship program presented their summer research projects and also touched on what getting paid for doing research meant to them.

In two weeks, former Skyline College student Joshwin Sagoo, M.S. Candidate at UC Santa Cruz, will share with us about research opportunities and the transfer

Article by Nick Kapp

STUDENT SELECTED TO VISIT NASA IN OCTOBER



Miguel Garcia of Skyline College in San Bruno has been selected to travel to NASA's Ames Research Center this fall to participate in the NASA Community College Aerospace Scholars (NCAS) onsite experience.

Garcia has been selected as one of 319 community college students from across the U.S. to be part of the NCAS onsite experience.

The five-week online activity culminates with a four-day on-site event at a NASA Center and offers students the opportunity to interact with NASA engineers and others as they learn more about careers in science and engineering. While at NASA, students form teams and establish fictional companies interested in Mars exploration. Each team is responsible for developing

and testing a prototype rover, forming a company infrastructure, managing a budget and developing communications and outreach.

The onsite experience at NASA includes briefings by NASA subject matter experts, information on how to apply for internships and a tour of NASA's unique facilities.

NASA Community College Aerospace Scholars is an activity funded in part by the Minority University Research and Education Program, or MUREP, which is committed to engaging underrepresented and underserved students in science, technology, engineering and mathematics (STEM) in authentic learning experiences to sustain a diverse workforce.

With this activity, NASA continues the agency's tradition engaging the nation in NASA's mission.

"NCAS not only inspires community college students to advance in STEM fields, but it also opens doors for future careers at NASA. NCAS has a legacy of alumni moving from NASA internships to and ultimately entering the NASA workforce. It is rewarding to see the progression of a student from NCAS participant to NASA colleague," Joeletta Patrick, Minority University Research and Education Project (MUREP) Manager

For additional information, please contact National Community College Aerospace Scholars by email at JSC-NCAS@mail.nasa.gov or by phone at 281-483-0493. For more information, visit: <http://ncas.aerospacescholars.org/>

For more on MUREP visit: www.nasa.gov/education/murep

For updates on social media follow: #NCAS2018 #MUREP

Article by Juan Miguel Garcia | Photo by Jenny Le

SKYLINE COLLEGE BOARD REPORT

SEPTEMBER 26, 2018

PHI THETA KAPPA STUDENTS COMPLETE SOLAR FEASIBILITY STUDY



Phi Theta Kappa members Michelle Huang, Michael Wong, and Gracia Trejo presented their study of solar feasibility to the Capital Improvement Project management and Skyline College President, Dr. Regina Stanback Stroud. With the increasingly serious problems of environmental pollution

and limited fossil fuels, the use of solar energy provides a sustainable solution. As a higher education institution, Skyline College is committed to achieving a sustainable community.

The Phi Theta Kappa (PTK) students assessed the feasibility of solar power generation (PV) on the Skyline College campus. As a successful case of using photovoltaic power generation to offset 100% of college electricity cost, Butte College, located in Northern California, generates over 6.5 million kilowatt hours of electricity per year and estimates that it will save up to \$100 million over 30 years using 25,000 solar panels. PTK students studied the mean daily insolation, historical weather, and sky conditions of Skyline College using data from a NASA simulation and weather history. Despite 77 foggy days a year, the Earth's insolation at Skyline College is double the global mean and slightly higher than at Butte College. Solar-electricity generation is feasible at Skyline College and will contribute to achieving the sustainability goals with a huge reduction of greenhouse gas emissions.

The presentation has changed the viewpoint of at least one manager who thought that Skyline College is too foggy. After hearing the research findings, he realized that Skyline College is not too foggy. Furthermore, the idea that PV panels will not work was addressed in the

research. PV panels are much more efficient in cooler temperatures than in hot areas, which makes Skyline College a perfect place to use PV power generation in effort to achieve its sustainability goals.

Article by Dr. Christine Case

BAEC WELCOMES STUDENT ENTREPRENEURS AT SHE MEANS BUSINESS EVENT



Every month the Bay Area Entrepreneur Center (BAEC) has events to foster the growth of student entrepreneurs and small businesses in the community.

This week the BAEC hosted an interesting, fun, and thought-provoking panel at our She Means Business event. The panel discussion centered on the importance of effective social media and the skills needed to be an entrepreneur.

Our guest panel was comprised of small business owners and social media influencers. On the panel was Nicole Moreno-Deinzer, CEO and Founder of Epifania Magazine, an online publication for culture, art and style; Christina Sundari, a fitness model and social media influencer; and Shikha Sharma, a freelance professional hair and makeup artist. These entrepreneurs addressed the many challenges that business startups face, especially those run by women. Skyline College students, members of the community and the panelists discussed the value of cultivating a brand and the importance of surrounding yourself with like-minded people that can push you forward. The

SKYLINE COLLEGE BOARD REPORT

SEPTEMBER 26, 2018

attendees walked away with a better sense of community, as all the panelists shared their aspirations and ways they support their communities through education and entrepreneurship.

The Bay Area Entrepreneur Center is a hub of resources for anyone looking to start and grow their business idea. Skyline College students, faculty and staff are welcome to come visit the BAEC and learn more.

Questions? Interest? Contact us at baec@smccd.edu, 650-738-7994, or visit us at skylinebaec.org.

Article by Terri Wade and Pcyeta Stroud

SPARKPOINT SNACKS CONTINUES TO ADDRESS FOOD INSECURITY ON CAMPUS



SparkPoint has distributed over 4,434 snacks to students in the first three weeks of operations! There are currently thirteen strategically placed SparkPoint Snack baskets around campus, each one hosted by a sponsor program working with SparkPoint to ensure that the baskets are fully stocked and supported at all times. We have also received a number of basket requests from faculty, staff and administrators throughout the campus who want to offer their support to this program and their students. With the help of these host programs, we will continue to disburse more throughout the academic year.

SparkPoint Snacks is a synergistic component of Skyline College's paradigm of comprehensive support for the

whole student. While it addresses food insecurity, it also serves as a point of contact for other SparkPoint services, all of which are specifically designed to assist students to overcome financial barriers – each snack has a SparkPoint business card attached to it in order to connect food-insecure students with CalFresh application assistance, financial coaching, the SparkPoint Food Pantry and more. Since the launch of SparkPoint Snacks, student engagement and requests for these SparkPoint services has steadily increased.

If you have any questions regarding SparkPoint Snacks or other SparkPoint services, please contact Chad Thompson, Director for SparkPoint and Career Services, at thompsonc@smccd.edu.

Article by Chad Thompson

ASSOCIATE DEGREE RESPIRATORY CARE PROGRAM CONFERRED CONTINUING ACCREDITATION



The Associate Degree Respiratory Care Program was recently granted continuing accreditation from the Commission on Accreditation for Respiratory Care (CoARC). The accreditation review included a recent, two-day site visit on campus. The evaluators were greeted by the faculty, staff, students and program administrators welcoming them to Skyline College's amazing campus. During their visit, the evaluators

SKYLINE COLLEGE BOARD REPORT

SEPTEMBER 26, 2018

toured the program facilities, including the classrooms and the new simulation lab. Interviews were conducted with program and institutional administrators, faculty, graduates, students and advisory board members. The program received glowing reviews and was conferred continuing accreditation through the year 2028.

Thank you to everyone who made the site visit a huge success, especially Nadia Tariq, Ray Hernandez, Brian Daniel and Dr. Taylor-Mendoza for their continuous attention and contributions to the program. A special thanks to community leaders, faculty, staff students and graduates who came out to support the program.

Article by Gretchen Keys | Photo by Ray Hernandez

THE PARALEGAL PROGRAM NOW HAS ABA APPROVAL!



The Paralegal Program at Skyline College is now officially an ABA-approved program!

Hundreds of hours of work and several years of work went into the application process and the preparation for the ABA site team's visit. In Fall 2016, Skyline College applied to the American Bar Association (ABA) for approval of the Program. In Summer 2017, the ABA completed its review of the Program's application and scheduled Skyline College for a site visit on February 19 – 21, 2018. In August, 2018, after a successful site visit, the ABA granted approval to Program.

While the program is already strong and graduates are getting jobs, ABA approval could provide program graduates with an additional edge in the competitive legal job market and raise awareness of the program among potential students and legal employers.

Many staff members, paralegal professionals, and alums have supported the Program throughout the application process. Their support and the tireless efforts of the paralegal faculty helped transform the Program into an effective one. We would like to thank College President Regina Stanback Stroud for her commitment to the program and for providing sufficient resources for its growth. Her vision, along with the dedication of the faculty, staff, students and community have yielded good results. In the words of the ABA site team:

“The Skyline Paralegal Program is an impressive program under the capable direction of Jesse Raskin. The Program is well-positioned in the community it serves. It has a dedicated, knowledgeable, and supportive administration, from the Program Director to the College President. It has a motivated, talented, and diverse faculty and an enthusiastic student body. Its Advisory Committee is very active and engaged.”

The Paralegal Program at large is thrilled with the news! We look forward to collaborating across the College, with our Advisory Committee, and with alums and current students, to ensure that we continue to grow and excel.

For more information about the Paralegal Program, please contact Jesse Raskin, raskinj@smccd.edu or visit www.skylinecollege.edu/paralegal/.

Article by Maria Segarra and Jesse Raskin

SKYLINE COLLEGE BOARD REPORT

SEPTEMBER 26, 2018

ENGINEERING AND TECH SCHOLARS SHINES AT NATIONAL CONFERENCE



On Tuesday, June 26th, Skyline College STEM Retention Specialist Jenny Le and Engineering Professor Nicholas Langhoff presented a paper on the Skyline College Engineering and Technology Scholars (ETS) learning community at the American Society for Engineering Education (ASEE) national conference in Salt Lake City, Utah.

The paper details the development, implementation and initial outcomes of ETS, a cohort-based program to strengthen retention of underrepresented community college engineering students. Since the program was piloted in Fall 2016, ETS has proved to be a cost-effective model of a guided pathway that increases retention, provides additional enrichment to students, increases accessibility to scholarships and internships, and bolsters student success in an accelerated pathway. With the model, pass rates for ETS students in entry-level math courses have significantly increased above traditional levels, showing enhanced persistence in a historically challenging pathway. To review data and outcomes presented, link to the full paper here.

Development of the ETS program started as grant-funded project supported by the Silicon Valley Engineering Tech Pathways (SVETP) and Growth Sector with the aim to diversify the STEM workforce. The project has now evolved into a strong community of peer and faculty support that integrates students, faculty, and staff into a community of academic and social support early on and throughout their transfer journey.

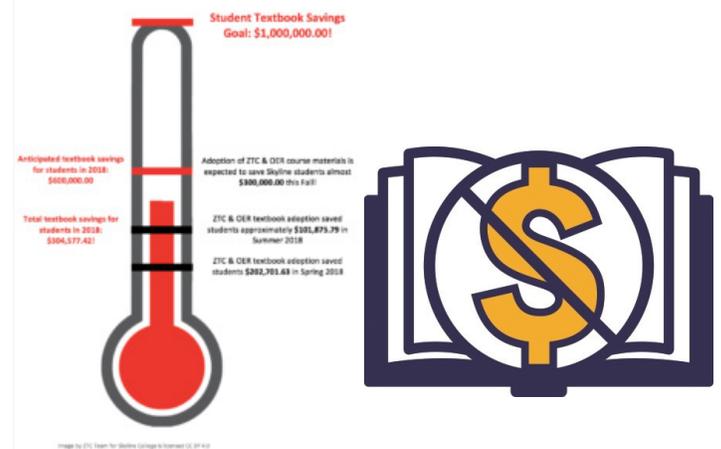
Members of the audience showed enthusiasm for and interest in the ETS learning community and have connected with the Skyline College team to learn more

about how they can develop similar programs on their own campuses.

The Skyline College team was joined at the conference by other community college engineering faculty friends from around California, including SMCCCD Engineering Professor Dr. Amelito Enriquez (Cañada College).

Article by Jenny Le and Nick Langhoff

SKYLINE COLLEGE ZERO TEXTBOOK COST SOLUTIONS HELP STUDENTS SAVE MONEY!



Skyline College is committed to ensuring affordable textbook solutions for students. This fall, Skyline College has almost 80 course sections that have adopted zero textbook cost (ZTC) or open educational resources (OER) course materials. We anticipate that this will save students almost \$300,000 in fall 2018 alone.

The ZTC Team is committed to supporting campus efforts that increase the adoption and availability of ZTC materials. Interested in learning more about finding and adopting ZTC and OER materials? Visit the ZTC website for more information.

Help Skyline College work towards a student savings of \$1,000,000 by spring 2019!

Article by Ame Maloney and Bianca Rowden-Quince

SKYLINE COLLEGE BOARD REPORT

SEPTEMBER 26, 2018

UPCOMING EVENTS

TROPEYCALIA CLUB ART EXHIBITION

September 22-October 20, 2018
Bldg. 1, Skyline College Art Gallery

TRANSFER SEMINARS 2018

September 25-December 7, 2018
Bldg. 2, Rm. 2-351

LUNCH & LEARN SERIES:

CULTURAL BIAS & MICROAGRESSIONS

September 26, 2018
2:00 p.m. - 3:00 p.m.
Bldg. 6, Rm. 6-204 - 6-206

BANNED BOOKS WEEK

September 23-29, 2018
Bldg. 5, Skyline College Library

SUCCESS SUMMIT

September 28, 2018
8:00 a.m. - 12:30 p.m.
Skyline College Student and Community Center
Building 6, 2nd Floor

LUNCH & LEARN SERIES:

ON THE MONEY: FINANCIAL AID & SCHOLARSHIPS

October 2, 2018
2:00 p.m. - 3:00 p.m.
Bldg. 6, Rm. 6-204 - 6-206

UNDOCUWEEK

October 15-19, 2018
Various locations around Skyline College

SORRY TO BOTHER YOU: SCREENING & Q&A

October 18, 2018
2:00 a.m. - 4:00 p.m.
Bldg. 1, Skyline College Theater

EQUITY SUMMIT

November 2, 2018
8:30 a.m. - 4:30 p.m.
Bldg. 1, Skyline College Theater



President's Report to the SMCCCD Board of Trustees

President Michael Claire ~ September 21, 2018

Inside...

Multiple Measures Shows Early Signs of Success at CSM	1
CSM Launches Discounted Grab & Go Meals for Students.	3
ASCSM Celebrates the New Academic Year with Welcome Week	3
Fire Technology Department Dedicates New Engine to Beloved Instructor Don Ciucci	4
CSM welcomes LaShonda Kennedy to its Workforce Development Team	5
CSM Student Featured on San Francisco State's Website.	6
Upcoming Events	7

“ Student Voice

“CSM’s professional development opportunities have helped me reach new academic heights.”

- Seneti Mapa, CSM Student

Multiple Measures Shows Early Signs of Success at CSM

The Public Policy Institute of California recognized CSM’s success with multiple measures in its August 2018 report, Remedial Education Reforms at California’s Community Colleges. The report highlighted CSM’s significant gains in placing hundreds of additional students directly into transfer-level English courses.



Jon Kitamura and students

College of San Mateo

Historically, colleges and universities have decided what English classes students should take using one measure: the standardized placement test. A student who was having a bad day, or simply didn't relate to the context of a question, could be placed in a remedial class that was not transferable to UCs and CSUs. For students, this resulted in low success rates, higher cost, and more time to completion.

A new state law, AB 705, requires community colleges to allow students to complete a transfer-level English course within their first year. The law also requires colleges to use "multiple measures"—such as high school grades—to place students into English and math courses.

As one of 15 early adopters among the California community colleges, CSM implemented multiple measures in 2016, prior to AB 705. Under the guidance of two English professors, Jon Kitamura and Daniel Keller, CSM began using high



Daniel Keller

school GPA and student self-placement to determine where students should be placed.

Early results have been impressive. In 2016, 77% of CSM students were placed directly into transfer-level English courses compared to the statewide average of 44%. CSM students also completed transfer-level classes at a rate of 68%, up slightly from previous years. Since then, rates of direct placement of students into transfer-level English continue to increase while success rates remain steady.

English faculty have invested significant time in teaching circles and other forms of professional development to ensure this success. They also spend extensive hours in the Writing Center and Office Hours coaching students one-on-one in reading, writing, and editing skills. High expectations in the transfer English classes are met with high levels of support for the students who are struggling.

There is still more work to be done. Under AB 705, colleges may offer remedial courses one level below transfer for students who opt to take them — but only if they can prove their effectiveness. In addition, CSM's English faculty are wrestling with how to serve the 1% of students in English that are currently self-placing into two levels below transfer. With AB705, this course will no longer be an option starting in Fall 2019.

CSM's English faculty are meeting to discuss plans this week and will attend an AB705 Implementation Workshop hosted by the CA Acceleration Project later this month to help them determine how to best support students under AB705, perhaps with additional tutoring for those who have difficulty tackling rigorous transfer-level coursework. "It

would be inequitable to just say sorry kids, welcome to English 105, sink or swim,” said Kitamura. ■

CSM Launches Discounted Grab & Go Meals for Students

CSM students are now able to pick up an affordable meal for just \$5 in the Bulldog Bookstore. “Grab & Go” meals include a sandwich, fresh fruit and a bottled water. Students must show a current CSM student ID to purchase the discounted meals, which are subsidized by ASCSM. The Grab & Go meals program is intended to help address food insecurity for CSM students and was organized by SparkPoint, Second Harvest, ASCSM, and the Bulldog Bookstore. ■



ASCSM Celebrates the New Academic Year with Welcome Week

The Associated Students of College of San Mateo greeted CSM students with a rousing week of free food and giveaways to ease students into their first weeks of the semester. Student retention is a priority for ASCSM. Since the beginning of the school year can be



stressful, especially for new college students, Welcome Week is a key part of ASCSM’s programming.

The festivities took place Tuesday and Wednesday, August 28-29. The first day, senators gave out Ay Caray Taqueria burritos, Super Cue boba and drawstring bags filled with CSM accessories.

Later in the day, Mendocino Farm sandwiches, Super Cue boba and drawstring bags were given out to the night class students. On day two, there was free food from Cuban Kitchen, Super Cue boba and more drawstring bags. Students enjoyed the Cuban sandwiches, fried plantains and quesadillas. Night students had free Mendocino Farm sandwiches, Super Cue boba and drawstring bags.



ASCSM has added night students to Welcome Week programming in recent years in an effort to be more inclusive of our entire campus community. Overall turnout was huge, with ASCSM handing out more than TK meals, TK bobas, and TK bags. There were consistent lines and all the food was devoured each day. We look forward for more events made for our students! ■

Fire Technology Department Dedicates New Engine to Beloved Instructor Don Ciucci

The CSM Fire Technology department is honoring the late fire instructor Don Ciucci by naming its new fire engine in his memory. The Fire Academy dedicated the Don Ciucci Training Engine on August 13, 2018. Chief Ciucci's nephew Chris Wettstein, who also teaches in the CSM Fire Technology program, presented the new engine in his honor. The new engine is a 1999 Pierce pumper that was donated to the Fire Academy by Chief John Kammeyer of the Central County Fire Department.

Chief Ciucci passed away on July 21, 2018. He grew up in San Francisco and attended City College of San Francisco and Cal Poly San Luis Obispo, where he earned his BS in city and regional planning. He worked for the Daly City Redevelopment Agency from 1972 to 1979, then joined the Daly City Fire Department. While there, Chief Ciucci earned the Ed



Bent Instructor of the Year award and was named 2003 Training Officer of the Year by the California Firefighter's Association.



Chief Ciucci retired in 2005 from the fire service as a deputy fire chief. He was instrumental in the hiring and training of hundreds of firefighters all over the state of California, especially San Mateo County. Chief Ciucci began teaching at CSM in 2006, teaching Fire Science curriculum core courses such as building construction instruction and firefighter survival. He also oversaw the in-service academy, a rigorous 15-week program.

"For the future CSM students that never had a chance to meet Chief Ciucci, the engraving on the side of the engine will ensure that he will never be forgotten," said

Christy Baird, CSM Fire Technology instructor/coordinator and captain with the Palo Alto Fire Department.

The newly donated engine replaces the older engine that is being donated to the Woodland Hills Rotary Club. According to Captain Baird, it is destined for a village in Mexico that does not have its own firefighting equipment.

Ciucci lived in Pacifica with his high school sweetheart Debby Wettstein, late daughter Angelina, and son Matthew. Angelina worked for the Daly City Fire Department and Matthew is currently working at Daly City Police Department. Ciucci also adored his two grandchildren, Maggie and Mikey. ■

CSM welcomes LaShonda Kennedy to its Workforce Development Team

LaShonda Kennedy has joined CSM's Workforce Development department as the new program services coordinator. She has extensive experience in project management, workforce development, community outreach and program development and evaluation.

"I am excited about the opportunity to develop a co-op/Internship program from the ground up," LaShonda commented. "Our hope is that CSM students use their college experience to help them select a career field and to increase their awareness of local career opportunities."

LaShonda received her undergraduate degree in communications, and her master's degree in counseling education from Wake Forest University. She started her career in corporate human resources and project management, then transitioned to the public school system. She worked in the Denver Public Schools and at Kirkwood Community College.

LaShonda has been a board member of the African American Museum of Iowa, the Iowa Women's Foundation and the United Way of Johnson and Washington Counties. She is still a member of the Association of Junior League's International Governance Board and the Corporate Roundtable Board of the National Black Caucus of State Legislators. ■



CSM Student Featured on San Francisco State's Website

Jordan Chavez, who serves as the ASCSM secretary and a student assistant in the Office of Student Life and Leadership, participated in San Francisco State's Research Experience for Undergraduates (REU) program this summer. He conducted research in a biology lab in the 10-week program, as one of only 12 undergraduate students from all over the U.S. He was profiled on the SFSU website in an article posted this past Monday:



<http://news.sfsu.edu/news-story/summer-program-inspires-students-stick-science> ■

UPCOMING EVENTS

ASCSM Club Fair

Wednesday, September 26 & Thursday, September 27

10 am - 1 pm

CSM College Center Building 10, Bayview Dining Room

CSM student clubs and student organizations showcase their activities and recruit new members at this annual fair. Free food and giveaways.

All-College Ice Cream Social

Thursday, September 27, 2018

12:30 - 2:30 pm

CSM College Center Terrace, Second Floor

CSM will be holding an ice cream social to welcome all new faculty, classified staff, and administrators, and also to celebrate those with 10, 20, 30, 40 years of service.

CSM Cross Country: Toro Park Invitational

Friday, September 28, 2018

All day

Toro Park, Salinas

Come out and cheer on the Bulldogs!

CSM Softball vs. San Francisco State

Saturday, September 29, 2018

12 pm

CSM Softball Field

Come out and cheer on the Bulldogs!

In Pursuit of Science: A Decade of Academic Journey from CSM to Stanford

Wednesday, October 3, 2018

5:30 - 6:30 pm

CSM Science Building 36, Planetarium

2004 CSM graduate Aashish R. Jha, Ph.D. will give a talk on his career working on HIV and malaria immunology, genomics, human adaptation, cancer biology, and the microbiome. Part of the Science-in-Action Speaker Series.

The Sky Tonight Planetarium Shows

Friday, October 12, 2018

7:30 & 8:30 pm

CSM Science Building 36, Planetarium

Come for a live presentation about what's visible in the night sky tonight, followed by a full dome immersive movie about fascinating topics in astronomy! The 50-minute show runs twice, at 7:30 pm again at 8:30 pm.

CA State Senator Jerry Hill

Presentation and Q&A

Monday, October 15, 2018

9:10 - 10:00 am

CSM Central Hall Building 16, Room 209

California State Senator Jerry Hill will speak to a College of San Mateo political science class and answer questions about California politics and government. The event is free and open to the public.



Cañada College

Report to the SMCCCD Board of Trustees

September 26, 2018

in this **issue:**

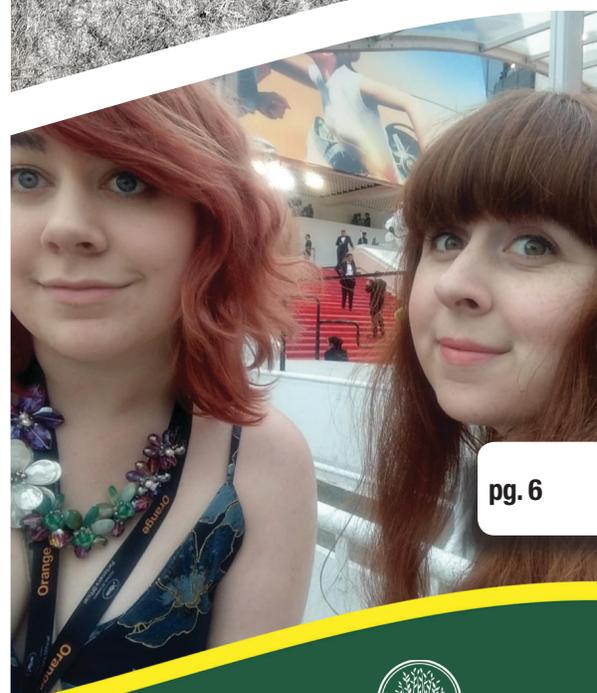
- College Hosts Third Annual Campus Movie Fest **pg. 2**
- Digital Art & Animation's 19th Annual Show of Shows **pg. 2**
- Employees Gather Together for Welcome Back Reception **pg. 3**
- Student Senate Kicks off Semester with a Sweet Spirit Week **pg. 4**
- Center for Student Life and Leadership Development Host Fall Retreat **pg. 5**
- College Completes Mobile-friendly Website **pg. 5**
- Digital Art & Animation Students Share Experience at Cannes Film Festival **pg. 6,7**
- President's Luncheon **pg. 8**



pg. 2



pg. 5



pg. 6

College Hosts Third Annual Campus Movie Fest



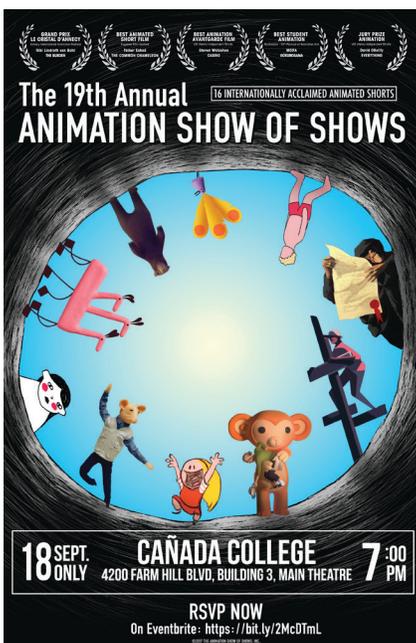
The College recently hosted its Third Annual Cañada College Campus Movie Festival (CMF). Efforts to promote the event and showcase student work were intended to provide inroads to the College's Digital Art & Animation program for students that may not have considered a career in this field. Campus Movie Fest, the world's largest student film festival, is the premier outlet for the next generation of filmmakers, with more than one million students at colleges and universities worldwide getting the chance to tell their stories through film. Last year's winners of the Cañada Campus Movie Fest had the opportunity to showcase their films at the Cannes Film Festival. With this, 2018 was the most competitive and highly attended CMF event the College has ever seen.

With more than 300 participants throughout the week of September 10, the Campus Movie Fest Film Night was an incredible way to celebrate the end of Spirit Week. More than 34 student films were created and covered topics from immigration, to family, music, love, incarceration, mental health and event puppets. The top four films that are headed to the national competition include:

- Puppet Cop by Victor Kolbe
- The Story by Veronica Plante
- Last Train by Katie Burke
- Rockin' Robin by Ivy Woolridge & Elizabeth Birdwell

View the wonderful work of our students at: <https://campusmoviefest.com/cc>

Digital Art & Animation's 19th Annual Show of Shows



On September 18, the Cañada College Digital Art & Animation Department presented its 19th Annual Animation Show of Shows in College's Main Theater. The event brought together students, faculty, staff and community members to watch animated short films on the big screen.

The Animation Show of Shows collects the best animated shorts from festivals all over the world and presents them in a theatrical format. This year's show collected classic short films and new works in many different styles, techniques, and a wide range of stories including this year's Oscar-winning animated short "Dear Basketball."

Employees Gather Together for Welcome Back Reception



Members of the Cañada College Community came together to kick off the academic year at a Welcome Back to School Reception on September 6. At the reception, students, faculty, staff and administrators enjoyed refreshments and good company. A special thank you to McCarthy Construction for sponsoring the welcome event.



Student Senate Kicks off Semester with a Sweet Spirit Week



During Spirit Week, the Cañada College Student Senate hosted its bi-annual Club Rush. This semester’s event was a sweet success, as the Candyland theme drew nearly 200 participants and 30 organizations to the event. Cañadians feasted on Dip-n-Dots, sliders and plenty of candy while learning how to get involved on campus.



The following day, Student Senate hosted their annual Constitution Day with an all-campus BBQ feast. Students met with local non-partisan community groups to learn how to make a difference in San Mateo County, what was on the upcoming ballot and how to get registered to vote. Cañadians were also able to participate in a live painting project where students wrote and designed with the prompt “What Freedom Means to You.” Everyone who came to the event was tested on their United States constitution knowledge and after their “pop quiz” received a reusable lunchbox and a free mini-constitution.



Center for Student Life and Leadership Development Host Fall Retreat



During Labor Day weekend, the Center for Student Life and Leadership Development team went on their annual Fall Training Retreat. Students had the opportunity to attend workshops on public speaking, college statistics, microaggressions, campus case studies, ethics and practice their training in situational activities. Each student presented on their motivations and personal goals as individuals and took on their fears as they completed a high ropes course as a united team. Students deepened their knowledge in the Center of Student Life & Leadership Development's four pillars: building leadership, nurturing mentorship, creating community, and making change on their campus.

College Completes Mobile-friendly Website



After more than a year of re-design and testing, the Cañada College website, canadacollege.edu, has completely transitioned into a fully responsive website that can be viewed on any mobile device! Updates include a new homepage and several other new pages on the main site navigation that focus on the new, and current, student experience.

Users are now able to easily, and attractively, view canadacollege.edu from all hand-held devices, including mobile phones and tablets. Additional enhancements include:

- New website with clean user interface, accessibility compliance for disabled users, and responsive to any size screen



Old Design

- Streamlined online enrollment process for new and returning students
- Enhanced tools for faculty and staff to maintain visually appealing, and functional, web content
- Easy access to the most important services and information for students, staff and faculty

A special thank you to Michael Ryan (Cañada College's Web Programmer Analyst) and the Cañada College Marketing & Outreach Department, for the time and talent they put into conceptualizing and building the new website.

Digital Art & Animation Students Share Experience at Cannes Film Festival



Last October, Cañada students put their talent to the test and created films during Campus Movie Fest, the world's largest student film festival for the next generation of filmmakers. The Cañada Campus Movie Fest, hosted by Cañada College Student Senate, was a weeklong film competition where more than 200 students created and shared their stories. At the red carpet finale, the College selected the films "Heroism" and "PhotoCorpse" as the winners.

"Heroism," created by Ivy Woolridge and Elizabeth Birdwell, is an inspiring film about love, hope, community and supporting others. Ivy and Elizabeth have traveled the world with their film, including a

stop at the Cannes Film Festival in France. The College checked in with them to hear about their success following their win at the Campus Movie Fest.

IW- Ivy Woolridge

EB- Elizabeth Birdwell

You entered your film "Heroism" in the Campus Movie Fest on campus, which eventually got you into the Short Film Corner at Cannes Film Festival. Congratulations on your success! What was the most challenging part of making your film in such a short amount of time?

IW: One of the greatest challenges was just being unfamiliar with video equipment and some of the editing software. The type of movie we did - animation over live action - was pretty unusual and ambitious for a student film in this festival. What helped us the most was the background in animation we had from our classes at Cañada College.

EB: I'd say the most challenging aspect was just the worry of not having time to finish the film, or that something could go wrong, etc. It was the first time I'd entered something like this, so there was a large element of unknown that came with it.

Do you two always collaborate on projects?

IW: Not always, we do each have a few pet projects of our own, but we love working together and we get along really well. Sometimes we're even mistaken for sisters!

EB: Not always, but we have a lot! We've been close friends from a young age, so we work together pretty well and enjoy collaborating on stuff.

What was your favorite part about going to the Cannes Film Festival in France?

IW: It was hugely educational. We couldn't have done it without the support of a lot of people at Cañada College, the Digital Art and Animation Department especially, as well as the Student Government and even the Fashion Department. We learned so much in a short time about so many aspects of filmmaking and the marketplace. It was an invaluable and life-changing experience. Walking the red carpet and seeing film premiers was amazing, too!

Digital Art & Animation Students Share Experience at Cannes Film Festival (cont.)

EB: The friends and connections I made, from both Campus Movie Fest and the Cannes Film Festival. I got to meet some different student filmmakers/animators from around the world, which is just really cool! Other than that, my #1 favorite moment was probably when I got to watch the cast of “Solo: A Star Wars Story” walk up the red carpet for the movie premiere. The entire festival was amazing and I can’t thank everyone enough who’s supported us on our journey.

Have you gone to any other film events?

IW: Yes, we attended Terminus Film Festival in Atlanta, which is a big film and video game conference. We were nominated for a Golden Tripod for our editing as well as for Best Picture! We didn’t know we’d been nominated until the night of the awards ceremony. We didn’t win, but being nominated means that we were one of the top 5 student films in the entire nation. It was actually an honor just to be nominated!

What do you enjoy most about the Digital Art and Animation Program at Cañada College?

IW: What’s not to love? We have the best teachers, amazing classes, and a supportive environment to work and learn. The instructors really take a personal interest in our education and success. We really think the Animation Associate Degree here should be turned into a 4-year-degree, the program is just that good!

EB: The program has benefited me in multiple ways, in fact I didn’t even realize that animation is what I wanted to pursue until I decided to try out one of the classes. I’ve learned so much material that’s helped me improve my work through the program, the instructors are all super fun and awesome people, and I just love the overall atmosphere and being surrounded by other people who love the same stuff I do!





I N A U G U R A L
**PRESIDENT'S
LUNCHEON**

**SAVE THE
DATE**

SUPPORTING STUDENT
SUCCESS THROUGH
SCHOLARSHIPS.

TUESDAY, OCTOBER 23, 2018
AT 11:30 A.M.

AT THE
HILLER AVIATION MUSEUM
SAN CARLOS, CA

FOR MORE INFORMATION, PLEASE VISIT:
CANADACOLLEGE.EDU/LUNCHEON

HONOR THE PAST.



TRANSFORM THE FUTURE.

BOARD REPORT NO. 18-9-2C

TO: Members of the Board of Trustees
FROM: Ron Galatolo, Chancellor
PREPARED BY: Mitchell Bailey, Chief of Staff, 574-6510

REPORT ON UPWARD SCHOLARS PROGRAM

Upward Scholars is a nonprofit in the Bay Area providing financial and academic support to low-income adults transitioning from adult schools to community colleges. It empowers low-income adults, mostly immigrants, by providing financial, academic and community support. As a result, students continue their education, get higher paying jobs, and serve as role models and advocates for their children. Upward Scholars attend all three of the District's Colleges, with the majority attending Cañada College.

At the Board of Trustees meeting of September 26, the Board will receive a detailed presentation on the Upward Scholars Program.

BOARD REPORT NO. 18-9-3C

TO: Members of the Board of Trustees
FROM: Ron Galatolo, Chancellor
PREPARED BY: Regina Stanback Stroud, President, Skyline College, 738-4111

FALL LAUNCH OF META MAJORS AND GUIDED PATHWAYS AT SKYLINE COLLEGE

This fall, Skyline College officially launched its Meta Majors and Guided Pathways, a design that supports students in beginning college with clear academic and career goals. With academic majors clustered in related groups and clearly defined course sequences, students are able to see the path from start to finish, progress efficiently and finish on time.

Meta majors and guided pathways are an important part of the comprehensive college redesign. These impactful changes scale transformative teaching and learning.

At the Board of Trustees meeting of September 26, the Board will receive a detailed presentation on the launch of Guided Pathways and Meta Majors at Skyline College.

BOARD REPORT NO. 18-9-3A

TO: Members of the Board of Trustees
FROM: Ron Galatolo, Chancellor
PREPARED BY: David Feune, Director, Human Resources, 358-6775

APPROVAL OF PERSONNEL ITEMS

New employment; changes in assignment, compensation, and placement; leaves of absence; changes in staff allocation and classification of academic and classified personnel; retirements, phase-in retirements, and resignations; equivalence of minimum qualifications for academic positions; and short-term temporary classified positions.

A. ADMINISTRATIVE APPOINTMENT, REAPPOINTMENT, ASSIGNMENT AND REASSIGNMENT
(NP = New position, * = New Employee)

District Office

Peter Fitzsimmons* District Budget Officer Administrative Services

New administrative employment, effective October 29, 2018, replacing Rachelle Minong who retired.

B. PUBLIC EMPLOYMENT

1. New Hires (NP = New Position, * = New Employee)

Skyline College

Kelly Li* Office Assistant II Global Learning Programs & Services
Passport Acceptance Facility (NP)

New part-time (48%), 12-month classified employment, effective September 10, 2018. This is a new position that was Board approved on July 25, 2018.

Sonya Pope* Office Assistant II Global Learning Programs & Services
Passport Acceptance Facility (NP)

New part-time (48%), 12-month classified employment, effective September 10, 2018. This is a new position that was Board approved on July 25, 2018.

Joshua Lindo* Instructional Aide II Academic Support &
Learning Technologies

New full-time, 12-month classified employment, effective August 29, 2018 replacing Christina Trujillo who resigned.

Skyline College

1. Recommend creation of a new classification titled, "Project Director-Promise Scholars Program Replication (Funded by the Innovation in Higher Education Grant)" at Grade 175S of the Classified Professional/Supervisory Salary Schedule (40), effective September 27, 2018. In addition, recommend a change in staff allocation to add a full-time, 12-month Project Director-Promise Scholars Program Replication (Funded by the Innovation in Higher Education Grant) position in the Counseling Division, effective September 27, 2018. This position is a temporary, grant-funded position, effective September 27, 2018 through the expiration of the grant funding.

F. PHASE-IN RETIREMENT

None

G. LEAVE OF ABSENCE

None

H. PUBLIC EMPLOYEE RETIREMENT AND RESIGNATION**1. Retirement****Cañada College****Amelito Enriquez**

Professor

Science & Technology

Retiring as Professor Emeritus, effective September 28, 2018 with 23.5 years of service. Eligible for District retiree benefits.

2. Resignation**Skyline College****Emma Briones**

Program Services Coordinator

Global Learning Programs
& Services

Resigned effective September 7, 2018.

I. ESTABLISHMENT OF EQUIVALENCY TO MINIMUM QUALIFICATIONS

None

J. PROFESSIONAL EXPERT/CONTRACT POSITIONS

None

K. SHORT-TERM, NON-CONTINUING POSITIONS

The following is a list of requested classified short-term, non-continuing services that require Board approval prior to the employment of temporary individuals to perform these services, pursuant to Assembly Bill 500 and its revisions to Education Code 88003:

<i>Location</i>	<i>Division / Department</i>	<i>No. of Pos.</i>	<i>Start and End Date</i>		<i>Services to be performed</i>
Cañada College	Academic Support & Learning Technologies/College for Working Adults	2	9/17/2018	12/31/2018	Instructional Aide II: This is paraprofessional work involved with assisting faculty in the delivery of classroom instruction and/or laboratory teaching and tutoring by appointment for College for Working Adult students who are restricted in the time they are on campus due to distance and employment. Under direction, the employee performs a variety of preparatory work and planning, and at the direction of faculty prepares materials for use in the classroom and/or laboratory, demonstrates subject matter skills, directs students in practical laboratories, and tutors students on problem areas of the subject matter. Sets up and maintains tutoring attendance and usage log.
Skyline College	SESP/EOPS/Disability Resource Center	1	9/27/2018	12/31/2018	Instructional Aide II: Provision of Math and Science tutoring for EOPS/CARE/CalWORKS/GSP students. In addition, Math tutoring for Disability Resource Center students - 6 hours/week.
Skyline College	SESP/Disability Resource Center	1	9/27/2018	12/17/2018	Instructional Aide II: English tutoring for the Disability Resource Center.

BOARD REPORT NO. 18-9-1CA

TO: Members of the Board of Trustees
FROM: Ron Galatolo, Chancellor
PREPARED BY: Mitchell Bailey, Chief of Staff, 574-6510

**APPROVAL OF APPOINTMENT TO
EDUCATIONAL HOUSING CORPORATION BOARD OF DIRECTORS**

The Bylaws of the Educational Housing Corporation stipulates that appointments to its board of directors be made by the San Mateo County Community College District Board of Trustees. The Corporation's Bylaws further explain that one member of its Board of Directors will be recommended by the CSEA chapter.

CSEA has recommended that Jonathan Wax, a program services coordinator at Cañada College, be appointed to replace Annette Perot, CSEA president, whose term on the Housing Corporation Board has expired.

RECOMMENDATION

It is recommended that the Board appoint Jonathan Wax to the Educational Housing Corporation Board of Directors for a term ending on December 31, 2021.

BOARD REPORT NO. 18-2CA

TO: Members of the Board of Trustees
FROM: Ron Galatolo, Chancellor
PREPARED BY: Mitchell Bailey, Chief of Staff, 574-6510

APPROVAL OF APPOINTMENT TO BOND OVERSIGHT COMMITTEE

The Board of Trustees makes appointments of members to the District's Bond Oversight Committee. The Committee is charged with the responsibility to assure voters that bond proceeds are expended only for construction, reconstruction, rehabilitation or replacement of College facilities in compliance with the ballot language approved by voters, and that no funds are used for teacher or administrator salaries or other operating expenses. Per Board policy, the Committee must have "one member who is a student both currently enrolled and an active member in a group, such as student government."

Staff recommends the appointment of Juyi "Johnny" Yang to serve as the student member.

Mr. Yang is the president of the Associated Students of Cañada College. He came to Cañada College in 2017 from China to study economics. He anticipates graduating in May 2019 and transferring to a university within the University of California system.

RECOMMENDATION

It is recommended that the Board appoint Juyi "Johnny" Yang to the Bond Oversight Committee for a term ending May 31, 2019.

BOARD REPORT NO. 18-9-3CA

TO: Members of the Board of Trustees

FROM: Ron Galatolo, Chancellor

PREPARED BY: Jennifer Taylor-Mendoza, Vice President of Instruction, Skyline College,
738-4321

**APPROVAL OF REGIONAL SHARE STRONG WORKFORCE PROGRAM FUNDS FROM
CABRILLO COMMUNITY COLLEGE DISTRICT/BACCC**

Board authorization is requested to accept a Skyline College Strong Workforce Program total subgrant of \$1,167,686 and subsequent augmentations from Cabrillo Community College District, the Bay Area Community College Consortium's (BACCC) fiscal agent responsible for distribution of the Regional share of Strong Workforce Funds. Since this Year 2 Regional contract supersedes the Year 1 Regional contract previously approved by the San Mateo County Community College District Board in 2017, this new subgrant total amount of \$1,167,686 includes the previously approved Year 1 funds of \$497,218 and new allocations of Year 2 Funds of \$670,468 for Skyline College.

Board authorization is requested to accept a Cañada College Strong Workforce Program total subgrant of \$696,941 and subsequent augmentations from Cabrillo Community College District, the Bay Area Community College Consortium's (BACCC) fiscal agent responsible for distribution of the Regional share of Strong Workforce Funds. Since this Year 2 Regional contract supersedes the Year 1 Regional contract previously approved by the San Mateo County Community College District Board in 2017, the new subgrant total amount of \$696,941 includes the previously approved Year 1 funds of \$317,761 and new allocations of Year 2 Funds of \$379,180 for Cañada College.

Board authorization is requested to accept a College of San Mateo Strong Workforce Program total subgrant of \$897,984 and subsequent augmentations from Cabrillo Community College District, the Bay Area Community College Consortium's (BACCC) fiscal agent responsible for distribution of the Regional share of Strong Workforce Funds. Since this Year 2 Regional contract supersedes the Year 1 Regional contract previously approved by the San Mateo County Community College District Board in 2017, this new subgrant total amount of \$879,984 includes the previously approved Year 1 funds of \$411,912 and new allocations of Year 2 Funds of \$486,072 for College of San Mateo.

BACKGROUND

The Strong Workforce Program allocates \$248M per year for the purpose of expanding the availability of quality community college career technical education and workforce development courses, programs, pathways, credentials, certificates, and degrees.

The legislation provided for 40% of the funds to be distributed through and allocated by the regional consortia to their member colleges for the purpose of funding regionally prioritized projects and programs that meet the needs of local and regional economies.

In the second year of Strong Workforce Regional funding, the 28-college BACCC received a total of \$20,054,898. As in the first year, 5% of the funds are set aside to support the consortium's operating costs. The BACCC member colleges voted to allocate 82.5% of the second year Regional funds directly to colleges and the remaining 12.5% to multi-college regional projects.

The District's share of the Year 2 Strong Workforce Regional Share funding from both the 82.5% direct allocation and the 12.5% multi-college projects is as follows:

Cañada College	\$ 379,761
College of San Mateo	486,072
Skyline College	670,468
Total	\$1,536,301

The legislation requires that funds target labor markets where the number of job openings meets or exceeds the supply of candidates from community colleges and from other education and training providers. It also requires that funds be utilized to facilitate alignment of CTE programs across multiple colleges to better serve regional scale industries and labor markets. The District will invest our allocation of the Strong Workforce Program Regional Share funds in the program areas that target these requirements.

The second year of funding must be fully spent by December 31, 2019.

The Strong Workforce Program is a significant indication of the Governor's and the legislature's interest in supporting the Career Technical Education mission and of their desire to build the system's capacity to become important contributors to the regional economies that are essential to California's long-term economic vitality.

RECOMMENDATION

It is recommended that the Board of Trustees approve the three subgrants from the Bay Area Community College Consortium fiscal agent, Cabrillo Community College District, and authorize the Executive Vice Chancellor to execute and make all necessary arrangements in relation to this grant agreement and any future amendments and augmentations on behalf of the District.

BOARD REPORT NO. 18-9-102B

TO: Members of the Board of Trustees

FROM: Ron Galatolo, Chancellor

PREPARED BY: Kathy Blackwood, Executive Vice Chancellor, 358-6869

ADOPTION OF RESOLUTION NO. 18-24 AUTHORIZING THE ISSUANCE AND SALE OF SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT 2018 GENERAL OBLIGATION BONDS (ELECTION OF 2014), SERIES B, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$261,000,000

On November 4, 2014, more than 55% of voters in the District approved an authorization of \$388 million to finance the projects identified in the ballot measure. In 2015, \$127 million of the bonds were issued, leaving \$261 million in remaining authorization.

The resolution to be considered authorizes the issuance of a series of 2018 General Obligation Bonds, Series B, pursuant to the authorization to be issued as current interest bonds, on a tax-exempt or taxable basis.

Along with the Resolution, the following documents are attached to this report:

- Preliminary Official Statement
- Bond Purchase Contract

RECOMMENDATION

It is recommended that the Board adopt the attached Resolution No. 18-24.

RESOLUTION NO. 18-24

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE SAN MATEO COUNTY
COMMUNITY COLLEGE DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT 2018 GENERAL
OBLIGATION BONDS (ELECTION OF 2014), SERIES B, IN AN AGGREGATE
PRINCIPAL AMOUNT NOT TO EXCEED \$261,000,000**

Adopted September 26, 2018

RESOLUTION NO. 18-24

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT 2018 GENERAL OBLIGATION BONDS (ELECTION OF 2014), SERIES B, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$261,000,000

RESOLVED, by the Board of Trustees (the "Board") of the San Mateo County Community College District (the "District"), as follows:

WHEREAS, a special bond election was duly and regularly held in the San Mateo County Community College District (the "District") on November 4, 2014, under the procedures specified in Proposition 39 (Article XIII A Section 1, paragraph (b) of the California Constitution) for the purpose of submitting a ballot measure to the qualified electors of the District (the "2014 Authorization"), an abbreviated form of which ballot measure is set forth below:

To prepare College of San Mateo, Cañada College and Skyline College students for universities and high-demand jobs; modernize math and science classrooms and labs; upgrade computer, biotechnology and job training facilities; upgrade access for disabled students; ensure classrooms meet earthquake, fire and safety requirements; and replace aging infrastructure with energy efficient systems, shall San Mateo County Community College District issue \$388,000,000 in bonds within legal limits, with annual independent audits, Citizen's Oversight and all proceeds benefiting your local community colleges?

WHEREAS, more than 55% of the votes cast at said election were in favor of said ballot measure; and

WHEREAS, the Board is authorized to provide for the issuance and sale of any series of bonds on behalf of the District under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 of said Code (the "Bond Law") for the purposes set forth in the ballot measure submitted to voters pursuant to the 2014 Authorization; and

WHEREAS, on June 18, 2015, the District issued its \$127,000,000 aggregate principal amount of Election of 2018 General Obligation Bonds (Election of 2014), Series A, pursuant to the 2014 Authorization and the Bond Law; and

WHEREAS, the Board wishes at this time to institute proceedings for the sale of a second series of bonds under the 2014 Authorization (the "Series B Bonds") in the aggregate principal amount of not-to-exceed \$261,000,000; and

WHEREAS, the Board is authorized to provide for the issuance and sale of the Series B Bonds pursuant to the provisions of the Bond Law; and

WHEREAS, the Board has determined at this time to authorize the issuance and sale of the Series B Bonds pursuant to this resolution, in one or more series, as bonds that are federally tax-exempt or taxable, in order to comply with the requirements of the Internal Revenue Code of 1986; and

WHEREAS, in accordance with California Government Code Section 5852.1, the Board has obtained and disclosed the information set forth in Appendix B hereto; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the San Mateo Community College District as follows:

ARTICLE I

DEFINITIONS; AUTHORITY

Section 1.01. Definitions. The terms defined in this Section 1.01, as used and capitalized herein, shall, for all purposes of this Resolution, have the meanings ascribed to them below, unless the context clearly requires some other meaning.

“Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Resolution, and the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Resolution as a whole and not to any particular Article, Section or subdivision hereof.

“Board” means the Board of Trustees of the San Mateo County Community College District, San Mateo County, California.

“Bond Construction Fund” means the fund established and held by the Treasurer pursuant to Section 3.02.

“Bond Counsel” means any attorney or firm of attorneys nationally recognized for expertise in rendering opinions as to the legality and tax exempt status of securities issued by public entities.

“Bond Law” has the meaning given to said term in the recitals.

“Bond Payment Date” means, unless otherwise specified in the Purchase Contract, (i) with respect to interest on the Series B Bonds, March 1 and September 1 of each year, commencing March 1, 2019 and (ii) with respect to the principal payments on the Series B Bonds, September 1 of each year, as specified in the Purchase Contract.

“Closing Date” means the date upon which there is an exchange of Series B Bonds for the proceeds representing the purchase price of the Series B Bonds by the Underwriter.

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate which is executed and delivered by a District Representative on the Closing Date.

“Controller” means the Controller of the County.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the District and related to the authorization, issuance, sale and delivery of the Series B Bonds, including but not limited to the costs of preparation and reproduction of documents, printing expenses, filing and recording fees, initial fees and charges of the Paying Agent and its counsel, legal fees and charges, fees and disbursements of consultants and professionals, rating agency fees, title insurance premiums, fees and charges for preparation, execution and safekeeping of the Series B Bonds and any other cost, charge or fee in connection with the original issuance of the Series B Bonds.

“County” means the County of San Mateo, California.

“Debt Service” means the scheduled amount of interest and amortization of principal on the Series B Bonds payable on the Series B Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

“Depository” means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to Section 2.04.

“Depository System Participant” means any participant in the Depository's book-entry system.

“District” means the San Mateo County Community College District and any successor thereto.

“District Representative” means the Chancellor of the District, the Executive Vice Chancellor of the District, the Chief Financial Officer of the District, or any other person authorized by resolution of the Board of Trustees of the District to act on behalf of the District with respect to this Resolution and the Series B Bonds.

“DTC” means The Depository Trust Company, New York, New York, and its successors and assigns.

“Federal Securities” means United States Treasury notes, bonds, bills or certificates of indebtedness or those securities for which the faith and credit of the United States are pledged for the payment of principal and interest.

“Information Services” means (i) the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System and (ii) such other information services identified in a written Request of the District.

“Interest and Sinking Fund” means the fund established and held by the Treasurer for the District under Section 3.04.

“Official Statement” means, inclusively, the preliminary and final official statements for the sale of the Series B Bonds in the forms approved by the District pursuant to Section 4.03.

“Outstanding,” when used as of any particular time with reference to Series B Bonds, means all Series B Bonds except:

(a) Series B Bonds theretofore canceled by the Paying Agent or surrendered to the Paying Agent for cancellation;

(b) Series B Bonds paid or deemed to have been paid within the meaning of Section 9.02 hereof; and

(c) Series B Bonds in lieu of or in substitution for which other Series B Bonds shall have been authorized, executed, issued and delivered by the District pursuant to the Resolution.

“Owner” or **“Bondowner”** means any person who shall be the registered owner of any Outstanding Series B Bond.

“Paying Agent” means The Bank of New York Mellon Trust Company, N.A., the paying agent appointed by the District and acting as paying agent, registrar and authenticating agent for the Series B Bonds, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 6.01.

“Principal Office” means the principal office of the Paying Agent for the payment of the Series B Bonds and the administration of its duties hereunder; the office or offices will be identified in a written notice filed with the District by the Paying Agent.

“Purchase Contract” means the bond purchase agreement, dated the date of sale of the Series B Bonds, by and between the Underwriter and the District, pursuant to which the Underwriter agrees to purchase all of the Series B Bonds, subject to the conditions contained in Section 4.01 hereof.

“Regulations” means temporary and permanent regulations promulgated under the Tax Code.

“Resolution” or **“Bond Resolution”** means this Resolution.

“Supplemental Resolution” means any resolution supplemental to or amendatory of this Resolution, adopted by the Board in accordance with Article VIII hereof.

“Tax Code” means the Internal Revenue Tax Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable temporary and final Regulations promulgated under the Tax Code.

“Tax-Exempt Series B Bonds” means those Series B Bonds, the interest on which is intended to be excluded from gross income for federal income tax purposes under Section 103 of the Tax Code

“Taxable Series B Bonds” means those Series B Bonds, the interest on which is not intended to be excluded from gross income for federal income tax purposes under Section 103 of the Tax Code.

“Treasurer” means the Treasurer-Tax Collector of the County, or deputy or designee thereof.

“Underwriter” means Morgan Stanley & Co. LLC, as the first purchaser of the Series B Bonds pursuant to the Purchase Contract.

“Written Request of the District” means an instrument in writing signed by the District Representative or by any other officer of the District duly authorized by the District and listed on a Written Request of the District for that purpose.

ARTICLE II

THE SERIES B BONDS

Section 2.01. Authorization. The Series B Bonds are hereby authorized to be issued by the District under and subject to the terms of the Bond Law and this Resolution; provided, that the aggregate principal amount of the Series B Bonds shall not exceed \$261,000,000. The Series B Bonds may be issued in one or more series, on a federally taxable and/or tax-exempt basis. This Resolution constitutes a continuing agreement with the Owners of all of the Series B Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal of and the interest on all Series B Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The Series B Bonds shall be designated the "San Mateo County Community College District 2018 General Obligation Bonds (Election of 2014), Series B".

Section 2.02. Terms of Series B Bonds.

(a) Form; Numbering. The Series B Bonds shall be issued as fully registered Bonds, and shall be lettered and numbered as the Paying Agent shall prescribe. The Series B Bonds shall be issued in the denomination of \$5,000 each or any integral multiple thereof, but in an amount not to exceed the aggregate principal amount of Series B Bonds maturing in the year of maturity for which the denomination is specified.

(b) Date of the Series B Bonds. The Series B Bonds shall be dated the Closing Date, or such other date as shall be specified in the Purchase Contract.

(c) CUSIP Identification Numbers. "CUSIP" identification numbers shall be imprinted on the Series B Bonds, but such numbers shall not constitute a part of the contract evidenced by the Series B Bonds and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for the Series B Bonds. In addition, failure on the part of the District to use such CUSIP numbers in any notice to Owners of the Series B Bonds shall not constitute an event of default or any violation of the District's contract with such Owners and shall not impair the effectiveness of any such notice.

(d) Maturities; Interest. The Series B Bonds shall mature on September 1 in the years and amounts set forth in the Purchase Contract.

The Board hereby authorizes the issuance of a portion of the Series B Bonds with a maturity greater than 30 years but not greater than 40 years pursuant to Section 53508.6 of the Bond Law, but only if the useful life of the facilities which are financed with the proceeds of the Series B Bonds having a maturity greater than 30 years equals or exceeds the maturity date of such Series B Bonds. A District Representative who is familiar with the projects to be financed with the proceeds of the Series B Bonds is authorized to make such determination and to execute a certificate to such effect in the event the Series B Bonds have a maturity greater than 30 years.

The Series B Bonds shall bear interest at such rate as shall be determined upon the sale thereof in accordance with Section 4.01 hereof, payable semi-annually on Bond Payment Dates, or such other dates as shall be specified in the Purchase Contract.

Each Bond shall bear interest from the Series B Bond Payment Date next preceding the date of registration and authentication thereof unless (i) it is registered and authenticated as of a Bond Payment Date, in which event it shall bear interest from such date, or (ii) it is registered and authenticated prior to a Bond Payment Date and after the close of business on the fifteenth (15th) day of the month preceding such Series B Bond Payment Date, in which event it shall bear interest from such Series B Bond Payment Date, or (iii) it is registered and authenticated prior to February 15, 2018, in which event it shall bear interest from the date described in paragraph (b) of this Section 2.02; *provided, however*, that if at the time of authentication of a Bond, interest is in default thereon, such Series B Bond shall bear interest from the Series B Bond Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the Series B Bonds shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

(e) Payment. Interest on the Series B Bonds, including the final interest payment upon maturity, is payable by check of the Paying Agent mailed on the Series B Bond Payment Date via first-class mail to the Owner thereof at such Owner's address as it appears on the Series B Bond register maintained by the Paying Agent at the close of business on the fifteenth (15th) day of the month preceding the Series B Bond Payment Date (the "Record Date"), or at such other address as the Owner may have filed with the Paying Agent for that purpose, or upon written request filed with the Paying Agent as of the Record Date by an Owner of at least \$1,000,000 in aggregate principal amount of Series B Bonds, by wire transfer.

Section 2.03. Redemption.

(a) Optional Redemption Dates and Prices. The Series B Bonds are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as designated by the District and by lot within a maturity, from any available source of funds, on the dates and at the respective redemption prices as set forth in the Bond Purchase Agreement.

(b) Mandatory Sinking Fund Redemption. If the Bond Purchase Agreement specifies that any one or more maturities of the Series B Bonds are term bonds which are subject to mandatory sinking fund redemption, each such maturity of Series B Bonds shall be subject to such mandatory sinking fund redemption on September 1 in each of the years and in the respective principal amounts as set forth in the Bond Purchase Agreement, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption. If any such Term Bonds are redeemed under the provisions of the preceding clause (a), the total amount of all future payments under this Subsection (b) with respect to such Term Bonds shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such payments as determined by the District (written notice of which determination shall be given by the District to the Paying Agent).

(c) Selection of Series B Bonds for Redemption. Whenever less than all of the Outstanding Series B Bonds of any one maturity are designated for redemption, the Paying Agent shall select the Outstanding Series B Bonds of such maturity to be redeemed by lot in any manner deemed fair by the Paying Agent. For purposes of such selection, each Refunding Bond will be deemed to consist of individual Series B Bonds of \$5,000 denominations each, which may be separately redeemed.

(d) Redemption Procedure. The Paying Agent will cause notice of any redemption to be mailed, first class mail, postage prepaid, at least 20 days but not more than 60 days prior to the date fixed for redemption, to (i) one or more of the Information Services, and (ii) to the respective Owners of any Series B Bonds designated for redemption, at their addresses appearing on the Registration Books. Such mailing is not a condition precedent to such redemption and the failure to mail or to receive any such notice will not affect the validity of the proceedings for the redemption of such Series B Bonds. In addition, the Paying Agent will give notice of redemption by telecopy or certified, registered or overnight mail to each of the Securities Depositories at least two days prior to such mailing to the Refunding Bond Owners.

Such notice must state the redemption date and the redemption price and, if less than all of the then Outstanding Series B Bonds are to be called for redemption, shall designate the serial numbers of the Series B Bonds to be redeemed by giving the individual number of each Refunding Bond or by stating that all Series B Bonds between two stated numbers, both inclusive, or by stating that all of the Series B Bonds of one or more maturities have been called for redemption, and shall require that such Series B Bonds be then surrendered at the Principal Office of the Paying Agent for redemption at the said redemption price, giving notice also that further interest on such Series B Bonds will not accrue from and after the redemption date.

Upon surrender of Series B Bonds redeemed in part only, the District shall execute and the Paying Agent shall authenticate and deliver to the Owner, at the expense of the District, a new Refunding Bond or Bonds, of the same maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Refunding Bond or Bonds.

From and after the date fixed for redemption, if notice of such redemption has been duly given and funds available for the payment of the principal of and interest (and premium, if any) on the Series B Bonds so called for redemption have been duly provided, the Series B Bonds called for redemption will cease to be entitled to any benefit under this Resolution other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in the notice. The Paying Agent will cancel all Series B Bonds redeemed under this Section 2.03 and will furnish a certificate of cancellation to the District.

(e) Conditional Redemption Notice; Right to Rescind Notice of Optional Redemption. The District may send a conditional redemption notice that provides that redemption is subject to the availability of sufficient funds on the proposed redemption date. The District has the right to rescind any notice of the optional redemption of Series B Bonds by written notice to the Paying Agent on or before the date fixed for redemption. Any notice of optional redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Series B Bonds then called for redemption, and such cancellation will not constitute a default hereunder. The District and the Paying Agent have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Paying Agent shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under subsection (d) of this Section.

Section 2.04. Book-Entry System.

(a) Original Delivery. The Series B Bonds shall be initially delivered in the form of a separate single fully registered Bond (which may be typewritten) for each maturity of the Series B Bonds. Upon initial delivery, the ownership of each such Series B Bond shall be registered on the Registration Books in the name of Cede & Co. (the "Nominee"). Except as provided in subsection (c), the ownership of all of the Outstanding Bonds shall be registered in the name of the Nominee on the Registration Books.

With respect to Bonds the ownership of which shall be registered in the name of the Nominee, the District and the Paying Agent shall have no responsibility or obligation to any Depository System Participant or to any person on behalf of which the Depository holds an interest in the Series B Bonds. Without limiting the generality of the immediately preceding sentence, the District and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Series B Bonds, (ii) the delivery to any Depository System Participant or any other person, other than an Owner as shown in the Registration Books, of any notice with respect to the Series B Bonds, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the Series B Bonds to be redeemed in the event the District elects to redeem the Series B Bonds in part, (iv) the payment to any Depository System Participant or any other person, other than an Owner as shown in the Registration Books, of any amount with respect to principal, premium, if any, or interest on the Series B Bonds or (v) any consent given or other action taken by the Depository as Owner of the Series B Bonds. The District and the Paying Agent may treat and consider the person in whose name each Bond is registered as the absolute owner of such Series B Bond for the purpose of payment of principal, premium and interest on such Series B Bond, for the purpose of giving notices of redemption and other matters with respect to such Series B Bond, for the purpose of registering transfers of ownership of such Series B Bond, and for all other purposes whatsoever. The Paying Agent shall pay the principal of and interest and premium, if any, on the Series B Bonds only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest and premium, if any, on the Series B Bonds to the extent of the sum or sums so paid. No person other than an Owner shall receive a Bond evidencing the obligation of the District to make payments of principal, interest and premium, if any, pursuant to this Resolution. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new nominee in its place, and subject to the provisions herein with respect to Record Dates, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Paying Agent.

(b) Representation Letter. In order to qualify the Series B Bonds for the Depository's book-entry system, the District and the Paying Agent shall execute and deliver to such Depository a letter representing such matters as shall be necessary to so qualify the Series B Bonds. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the District or the Paying Agent any obligation whatsoever with respect to persons having interests in the Series B Bonds other than the Owners. The Paying Agent agrees to comply with all provisions in such letter with respect to the giving of notices thereunder by the Paying Agent. In addition to the execution and delivery of such letter, the District may take any other actions, not inconsistent with this Resolution, to qualify the Series B Bonds for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. In the event that either (i) the Depository determines not to continue to act as Depository for the Series B Bonds, or (ii) the District determines to terminate the Depository as such, then the District shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the District and the Paying Agent in the issuance of replacement Bonds by providing the Paying Agent with a list showing the interests of the Depository System Participants in the Series B Bonds, and by surrendering the Series B Bonds, registered in the name of the Nominee, to the Paying Agent on or before the date such replacement Bonds are to be issued. The Depository, by accepting delivery of the Series B Bonds, agrees to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository acting as such, the District fails to identify another Securities Depository to replace the Depository, then the Series B Bonds shall no longer be required to be registered in the Registration Books in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Article 2. Prior to its termination, the Depository shall furnish the Paying Agent with the names and addresses of the Participants and respective ownership interests thereof.

(d) Payments to the Nominee. Notwithstanding any other provision of this Resolution to the contrary, so long as any Series B Bond is registered in the name of the Nominee, all payments by the District or the Paying Agent with respect to principal of and interest and premium, if any, on such Series B Bond and all notices with respect to such Series B Bond shall be made and given, respectively, as provided in the letter described in subsection (b) of this Section or as otherwise instructed by the Depository.

Section 2.05. Form of Series B Bonds. The Series B Bonds, the form of the Paying Agent's certificate of authentication and registration and the form of assignment to appear thereon shall be substantially in the form, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Resolution, as set forth in Exhibit A attached hereto.

Section 2.06. Execution of Series B Bonds. The Series B Bonds shall be executed on behalf of the Board by the facsimile signatures of the President and countersigned by the Vice President/Clerk of the Board of Trustees who are in office on the date of adoption of this Resolution or at any time thereafter, and the seal of the District shall be impressed, imprinted or reproduced by facsimile thereon. If any officer whose signature appears on any Series B Bond ceases to be such officer before delivery of the Series B Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Series B Bonds to the purchaser. Any Series B Bond may be signed and attested on behalf of the Board by such persons as at the actual date of the execution of such Series B Bond shall be the proper officers of the District although at the nominal date of such Series B Bond any such person shall not have been such officer of the District.

Only such Series B Bonds as shall bear thereon a certificate of authentication and registration in the form set forth in Exhibit A attached hereto, executed and dated by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of the Paying Agent shall be conclusive evidence that the Series B Bonds so registered have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Resolution.

Section 2.07. Transfer of Series B Bonds. Any Series B Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 2.09 hereof, by the person in whose name it is registered, in person or by his duly authorized

attorney, upon surrender of such Series B Bond for cancellation at the Principal Office at the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. The Paying Agent shall require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any Series B Bond or Series B Bonds shall be surrendered for transfer, the District shall execute and the Paying Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount.

No transfers of Series B Bonds shall be required to be made (a) fifteen days prior to the date established by the Paying Agent for selection of Series B Bonds for redemption or (b) with respect to a Bond after such Series B Bond has been selected for redemption.

Section 2.08. Exchange of Series B Bonds. Bonds may be exchanged at the Principal Office of the Paying Agent for a like aggregate principal amount of Series B Bonds of authorized denominations and of the same maturity. The Paying Agent shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

No exchanges of Series B Bonds shall be required to be made (a) fifteen days prior to the date established by the Paying Agent for selection of Series B Bonds for redemption or (b) with respect to a Bond after such Series B Bond has been selected for redemption.

Section 2.09. Bond Register. The Paying Agent shall keep or cause to be kept sufficient books for the registration and transfer of the Series B Bond (the "Registration Books"), which shall at all times be open to inspection by the District upon reasonable notice; and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as herein before provided.

Section 2.10. Temporary Bonds. The Series B Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the District, and may contain such reference to any of the provisions of this Resolution as may be appropriate. Every temporary Bond shall be executed by the District upon the same conditions and in substantially the same manner as the definitive Bonds. If the District issues temporary Bonds it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor at the Principal Office of the Paying Agent and the Paying Agent shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to this Resolution as definitive Bonds executed and delivered hereunder.

Section 2.11. Bonds Mutilated, Lost, Destroyed or Stolen. If any Series B Bond shall become mutilated the District, at the expense of the Owner of said Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like maturity and principal amount in exchange and substitution for the Series B Bond so mutilated, but only upon surrender to the Paying Agent of the Series B Bond so mutilated. Every mutilated Bond so surrendered to the Paying Agent shall be canceled by it and delivered to, or upon the order of, the District. If any Series B Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may

be submitted to the District and, if such evidence be satisfactory to the District and indemnity satisfactory to it shall be given, the District, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like maturity and principal amount in lieu of and in substitution for the Series B Bond so lost, destroyed or stolen. The District may require payment of a sum not exceeding the actual cost of preparing each new Bond issued under this Section and of the expenses which may be incurred by the District and the Paying Agent in the premises. Any Series B Bond issued under the provisions of this Section 2.11 in lieu of any Series B Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the District whether or not the Series B Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Resolution with all other Bonds issued pursuant to this Resolution.

ARTICLE III

ISSUE OF SERIES B BONDS; APPLICATION OF SERIES B BOND PROCEEDS; SECURITY FOR THE SERIES B BONDS; INTEREST AND SINKING FUND

Section 3.01. Issuance and Delivery of Series B Bonds. At any time after the adoption of this Resolution, the District may issue and deliver the Series B Bonds. The District Representative shall be, and is hereby, directed to cause the Series B Bonds to be printed, signed and sealed, and to be delivered to the Underwriter upon the Treasurer's receipt of the purchase price therefor, and upon the Underwriter's performance of the conditions imposed by the District. The Paying Agent is hereby authorized to deliver the Series B Bonds to the Underwriter, upon receipt of a Written Request of the District.

Section 3.02. Application of Proceeds of Sale of Series B Bonds. The proceeds from the sale of the Series B Bonds, to the extent of the principal amount thereof, shall be paid to the Treasurer to the credit of the fund hereby created and established and to be known as the "Election of 2014, Series B San Mateo County Community College District Bond Construction Fund" of the District (the "Bond Construction Fund"), which shall be accounted for separate and distinct from all other District and County funds, and those proceeds shall be used solely for the purpose for which the Series B Bonds are being issued. Funds on hand in the Series B Bond Construction Fund shall be invested as set forth in Section 6.06 hereof. The interest earned on the monies deposited to said Bond Construction Fund shall be deposited in said Bond Construction Fund and used for the purposes for which the Series B Bonds have been authorized. Any excess proceeds of the Series B Bonds not needed for the authorized purposes set forth herein for which the Series B Bonds are being issued shall be transferred to the Interest and Sinking Fund and applied to the payment of principal and interest on the Series B Bonds, at the written direction of the District. If, after payment in full of the Series B Bonds there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District, pursuant to Section 15234 of the Education Code.

Proceeds from the sale of the Series B Bonds which consist of accrued interest on the Series B Bonds (if any) and any premium received by the District shall be deposited into the Interest and Sinking Fund.

Section 3.03. Security for the Series B Bonds. The Series B Bonds are general obligations of the District. The Board of Supervisors of the County has the power, is obligated to, and shall levy ad valorem taxes upon all property within the District subject to taxation, without limitation of rate or amount (except with respect to certain personal property which is taxed at limited rates), for the payment of the Series B Bonds and the interest thereon, in accordance with and subject to Sections 15250 and Section 15252 of the Education Code.

Section 3.04. Interest and Sinking Fund. The District shall instruct the Controller to create and maintain while the Series B Bonds are outstanding an interest and sinking fund for the Series B Bonds (the "Interest and Sinking Fund"), which shall be maintained by the Treasurer as a separate account, distinct from all other funds of the District, into which shall be paid on receipt thereof, (i) the portion of the Series B Bond proceeds designated in Section 3.02 of this Resolution as accrued interest and premium paid to the District, if any, and (ii) the proceeds of any taxes levied pursuant to Section 3.03. The Interest and Sinking Fund shall be administered and disbursements made in the manner set forth in Section 3.05 hereof.

Section 3.05. Disbursements From Interest and Sinking Fund. The moneys in the Interest and Sinking Fund, to the extent necessary to pay Debt Service on the Series B Bonds as the same becomes due and payable, shall be transferred by the Treasurer to the Paying Agent which, in turn, shall pay such moneys to DTC to pay the Debt Service on the Series B Bonds. DTC will thereupon make payments of Debt Service on the Series B Bonds to the DTC Participants who will thereupon make payments of Debt Service to the beneficial owners of the Series B Bonds. Any moneys remaining in the Interest and Sinking Fund after Debt Service on the Series B Bonds has been paid, or provision for such payment has been made, shall be transferred to the General Fund of the District, pursuant to Section 15234 of the Education Code.

Section 3.06. Professionals; Estimated Financing Costs. The firm of Jones Hall, A Professional Law Corporation has previously been engaged to act as the District's bond counsel and disclosure counsel, respectively, in connection with the issuance and sale of the Series B Bonds. The estimated Costs of Issuance associated with the bond sale are \$290,000, which includes bond counsel and disclosure counsel fees, costs of printing the Official Statement, rating agency fees, and paying agent fees, but which do not include underwriting fees and the cost of municipal bond insurance, if obtained.

Section 3.07. Costs of Issuance Custodian Agreement. The Board hereby directs the Underwriter to deposit a portion of the amounts received by the Underwriter upon the sale of the Series B Bonds with The Bank of New York Mellon Trust Company, N.A., as custodian, to be applied to pay the Costs of Issuance, in an amount which shall be set forth in the Bond Purchase Agreement. The Board hereby authorizes a District Representative to enter into a Costs of Issuance Custodian Agreement with the custodian, in the form on file with the Vice President/Clerk of the Board. As provided in said agreement, amounts deposited thereunder shall be requisitioned by a District Representative for payment of Costs of Issuance in accordance with said agreement.

Section 3.08. Presentation of Actual Cost Information at Board Meeting; Report to California Debt and Investment Advisory Commission. As required by Government Code Section 53509.5, after the sale of the Series B Bonds, the Board shall present actual cost information for the sale at its next scheduled public meeting. In addition, Bond Counsel is authorized to submit an itemized summary of the costs of the Series B Bond sale to the California Debt and Investment Advisory Commission.

ARTICLE IV

SALE OF THE SERIES B BONDS; OFFICIAL STATEMENT

Section 4.01. Sale of the Series B Bonds; Bond Insurance.

(a) The Series B Bonds shall be sold to the Underwriter pursuant to the terms of a Purchase Contract, between the Underwriter and the District, and dated the date of sale of the Series B Bonds (the "Purchase Contract"), so long as the principal amount of the Series B Bonds does not exceed \$261,000,000, and so long as the Underwriter's discount on the Series B Bonds (without regard to an original issue discount, if any) does not exceed 0.50%. Each of the Chancellor, the Executive Vice Chancellor and the Chief Financial Officer is hereby authorized and directed to execute the Purchase Contract, so long as the limitations contained herein are reflected in the Purchase Contract.

The Purchase Contract shall recite the aggregate principal amount of the Series B Bonds, the date thereof, the maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial and semiannual interest payment dates thereof, and the terms of optional and mandatory sinking fund redemption thereof, if any.

(b) In accordance with Section 53508.7 of the Bond Law, the Board has determined to sell the Series B Bonds at negotiated sale for the following reasons: (i) a negotiated sale provides more flexibility to choose the time and date of the sale which is advantageous in a volatile municipal bond market, and (ii) a negotiated sale will permit the time schedule for the issuance and sale of the Series B Bonds to be expedited.

(c) The District Representative is hereby authorized to solicit proposals from municipal bond insurers, and, if such officer determines it is in the best interest of the District, to arrange for the issuance of a policy of municipal bond insurance for one or more maturities of the Series B Bonds and to execute and deliver an insurance commitment and all other documents necessary in connection therewith.

Section 4.02. Official Action. All actions heretofore taken by the officers and agents of the District with respect to the sale and issuance of the Series B Bonds are hereby approved and ratified, and the District Representative and all other officers of the District are hereby authorized and directed for and in the name and on behalf of the Board, to do any and all things and take any and all actions relating to the execution and delivery of any and all certificates, requisitions, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Series B Bonds in accordance with this resolution.

Section 4.03. Preparation of Official Statement. The Board hereby approves the Preliminary Official Statement describing the Series B Bonds in substantially the form on file with the Vice President/Clerk of the Board. Each of the Chancellor, the Executive Vice Chancellor and the Chief Financial Officer is hereby authorized to execute an appropriate certificate stating the Board's determination that the Preliminary Official Statement has been deemed final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934,, as of the date of execution of such certificate. Distribution of the Preliminary Official Statement in connection with the sale of the Series B Bonds is hereby approved. Each of the Chancellor, the Executive Vice Chancellor

and the Chief Financial Officer is hereby authorized and directed to approve any changes in or additions to a final form of said Official Statement, and the execution thereof by the Chancellor, the Executive Vice Chancellor or the Chief Financial Officer shall be conclusive evidence of his approval of any such changes and additions. The Board hereby authorizes the distribution of the final Official Statement by the Underwriter of the Series B Bonds. The final Official Statement shall be executed in the name and on behalf of the District by the Chancellor, the Executive Vice Chancellor or the Chief Financial Officer.

ARTICLE V

COVENANTS

Section 5.01. Punctual Payment. The District Representative is hereby authorized and directed to report to the Controller all final terms of sale of the Series B Bonds, and to file with the Controller and with the Treasurer a copy of the executed Purchase Contract, this Resolution, and the schedule of amortization of the principal of and payment on the Series B Bonds. The filing of this Resolution shall serve as the notice required to be given by Section 15140(c) of the Education Code and as the District's request to the Controller and the Board of Supervisors of the County to propose and adopt, pursuant to law, in each year a tax rate applicable to all taxable property of the District for payment of the Series B Bonds; and to the other officers of the County to levy and collect said taxes for the payment of the Series B Bonds, to pay in a timely manner to the Paying Agent on behalf of the Owners of the Series B Bonds the principal, interest, and premium, if any, due on the Series B Bonds in each year; and to create in the County treasury to the credit of the District a Bond Construction Fund and an Interest and Sinking Fund pursuant to Section 15146 of the Education Code. Nothing herein contained shall prevent the District from making advances of its own moneys, howsoever derived, to any of the uses or purposes permitted by law.

Section 5.02. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, the District will not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the Series B Bonds and will not, directly or indirectly, approve any such arrangement by purchasing or funding said claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the District, such claim for interest so extended or funded shall not be entitled, in case of default by the District hereunder, to the benefits of this Resolution, except subject to the prior payment in full of the principal of all of the Series B Bonds then Outstanding and of all claims for interest which shall not have so extended or funded.

Section 5.03. Tax Covenants.

(a) **Private Activity Bond Limitation.** The District shall assure that the proceeds of the Series B Bonds are not so used as to cause the Tax-Exempt Series B Bonds to satisfy the private business tests of section 141(b) of the Tax Code or the private loan financing test of section 141(c) of the Tax Code.

(b) **Federal Guarantee Prohibition.** The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Tax-Exempt Series B Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Tax Code.

(c) **Rebate Requirement.** The District shall calculate or cause to be calculated excess investment earnings with respect to the Tax-Exempt Series B Bonds which are required to be rebated to the United States of America under Section 148(f) of the Tax Code, and shall pay the full amount of such excess investment earnings to the United States of America in such amounts, at such times and in such manner as may be required under the Tax Code, if and to the extent such Section 148(f) is applicable to the Tax-Exempt Series B Bonds. Such payments shall be made by the District from any source of legally available funds of the District. The District shall keep or cause to be kept, and retain or cause to be retained for a period of six years following the retirement of the Tax-Exempt Series B Bonds, records of the determinations made under this

subsection (e). In order to provide for the administration of this subsection (e), the District may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the District may deem appropriate.

(d) No Arbitrage. The District shall not take, or permit or suffer to be taken by an investment custodian or otherwise, any action with respect to the proceeds of the Tax-Exempt Series B Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Tax-Exempt Series B Bonds would have caused the Series B Bonds to be "arbitrage bonds" within the meaning of section 148 of the Tax Code.

(e) Maintenance of Tax Exemption. The District shall take all actions necessary to assure the exclusion of interest on the Tax-Exempt Series B Bonds from the gross income of the Owners of the Tax-Exempt Series B Bonds to the same extent as such interest is permitted to be excluded from gross income under the Tax Code as in effect on the date of issuance of the Tax-Exempt Series B Bonds.

Section 5.04. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate, which shall be executed by a District Representative and delivered on the Closing Date. Notwithstanding any other provision of this Resolution, failure of the District to comply with the Continuing Disclosure Certificate does not constitute a default by the District hereunder or under the Series B Bonds; however, any Participating Underwriter (as such term is defined in the Continuing Disclosure Certificate) or any holder or beneficial owner of the Series B Bonds may, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order..

Section 5.06. CDIAC Annual Reporting. The District hereby covenants and agrees that it will comply with the provisions of California Government Code Section 8855 subdivision (k) with respect to annual reporting to the California Debt and Investment Advisory Commission. Said reporting will occur at the times and include the types of information as set forth therein. Notwithstanding any other provision of this Resolution, failure of the District to comply with said reporting does not constitute a default by the District hereunder or under the Series B Bonds.

Section 5.07. Further Assurances. The District will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Resolution, and for the better assuring and confirming unto the Owners of the Series B Bonds of the rights and benefits provided in this Resolution.

ARTICLE VI

THE PAYING AGENT; INVESTMENT

SECTION 6.01. Appointment of Paying Agent. The Treasurer has designated The Bank of New York Mellon Trust Company, N.A. to act as Paying Agent for the Series B Bonds, and the District hereby ratifies that selection. The Paying Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Resolution, and even during the continuance of an event of default with respect to the Series B Bonds, no implied covenants or obligations shall be read into this Resolution against the Paying Agent. The Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the District a certificate to that effect.

The Treasurer may remove the Paying Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor, if not the County, shall be a bank or trust company doing business and having an office in the State of California, having a combined capital (exclusive of borrowed capital) and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, under law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 6.01 the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Paying Agent may at any time resign by giving written notice to the Treasurer, the District and the Series B Bond Owners of such resignation. Upon receiving notice of such resignation, the Treasurer shall promptly appoint a successor Paying Agent by an instrument in writing. Any resignation or removal of the Paying Agent and appointment of a successor Paying Agent shall become effective upon acceptance of appointment by the successor Paying Agent.

SECTION 6.02. Paying Agent May Hold Series B Bonds. The Paying Agent may become the Owner of any of the Series B Bonds in its own or any other capacity with the same rights it would have if it were not Paying Agent.

SECTION 6.03. Liability of Agents. The recitals of facts, covenants and agreements herein and in the Series B Bonds contained shall be taken as statements, covenants and agreements of the District, and the Paying Agent assumes no responsibility for the correctness of the same, nor makes any representations as to the validity or sufficiency of this Resolution or of the Series B Bonds, nor shall incur any responsibility in respect thereof, other than as set forth in this Resolution. The Paying Agent is not liable in connection with the performance of its duties hereunder, except for its own negligence or willful default.

In the absence of bad faith, the Paying Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Paying Agent and conforming to the requirements of this Resolution.

The Paying Agent is not liable for any error of judgment made in good faith by a responsible officer of its corporate trust department in the absence of the negligence of the Paying Agent.

No provision of this Resolution shall require the Paying Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it has reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Paying Agent may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys.

SECTION 6.04. Notice to Agents. The Paying Agent may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Paying Agent may consult with counsel, who may be counsel to the District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Resolution, the Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Paying Agent, be deemed to be conclusively proved and established by a certificate of the District, and such certificate shall be full warrant to the Paying Agent for any action taken or suffered under the provisions of this Resolution upon the faith thereof, but in its discretion the Paying Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

SECTION 6.05. Compensation; Indemnification. The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution. The fees and expenses of the Paying Agent not paid from the proceeds of sale of the Series B Bonds shall be paid in each year from the Interest and Sinking Fund, insofar as permitted by law, including specifically Section 15232 of the Education Code of the State of California.

The District further agrees to indemnify and save the Paying Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or bad faith.

SECTION 6.06. Investments. All moneys held in any of the funds or accounts established with the County hereunder shall be invested in any one or more investments generally permitted to school districts under the laws of the State of California, consistent with the County investment policy. Such investments shall be made under the direction and at the discretion of the Treasurer. Obligations purchased as an investment of moneys in any fund or account constitute a part of such fund or account. All interest or gain derived from the investment of amounts in any of the funds or accounts established hereunder shall be deposited in the fund or account from which such investment was made, and shall be expended for the purposes thereof.

The District covenants that all investments of amounts deposited in any fund or account created by or under this Resolution, or otherwise containing proceeds of the Series B Bonds, shall

be acquired and disposed of at the Fair Market Value thereof. For purposes of this Section, the term "Fair Market Value" shall mean, with respect to any investment, the price at which a willing buyer would purchase such investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Tax Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as described above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Tax Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Tax Code, or (iii) the investment is a United States Treasury Security - State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES OF SERIES B BONDOWNERS

Section 7.01. Events of Default. Any one or more of the following events shall constitute an “event of default”:

(a) if default shall be made by the District in the due and punctual payment of Debt Service or redemption premium, if any, on any Series B Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made by the District in the observance of any of the covenants, agreements or conditions on its part in this Resolution or in the Series B Bonds contained, and such default shall have continued for a period of thirty (30) days after written notice thereof to the District Representative; or

(c) if the District shall file a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, seeking reorganization of the District under the federal bankruptcy laws or any other applicable law of the United States of America, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property.

Section 7.02. Application of Funds Upon Default. All of the sums in the Interest and Sinking Fund and accounts provided for in Section 3.04 hereof upon the occurrence of an Event of Default as provided in Section 7.01 hereof, and all sums thereafter received by the Paying Agent hereunder, shall be applied by the Paying Agent in the following order upon presentation of the Series B Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the costs and expenses of the Paying Agent hereunder and of the costs and expenses of Series B Bondowners in declaring such event of default, including reasonable compensation to their agents, attorneys and counsel;

Second, in case the principal of the Series B Bonds shall not have become due and payable, to the payment of the interest in default in the order of the maturity of the installments of such interest, with interest on the overdue installments at the rate of twelve percent (12%) per annum (to the extent that such interest on overdue installments shall have been collected), such payments to be made ratably to the persons entitled thereto without discrimination or preference;

Third, in case any principal of the Series B Bonds shall have become and shall be then due and payable, all such sums shall be applied to the payment of the whole amount then owing and unpaid upon the Series B Bonds for principal and interest, with interest on the overdue principal and installments of interest at the rate of twelve percent (12%) per annum (to the extent that such interest on overdue installments of interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount

so owing and unpaid upon the Series B Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Section 7.03. Remedies of Series B Bondowners. Any Series B Bondowner shall have the right, for the equal benefit and protection of all Bondowners similarly situated:

(a) by mandamus, suit, action or proceeding, to compel the District and its members, officers, agents or employees to perform each and every term, provision and covenant contained in this Resolution and in the Series B Bonds, and to require the carrying out of any or all such covenants and agreements of the District and the fulfillment of all duties imposed upon it;

(b) by suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the Series B Bondowners' rights; or

(c) upon the happening of any event of default (as defined in Section 7.01 hereof), by suit, action or proceeding in any court of competent jurisdiction, to require the District and its members and employees to account as if it and they were the trustees of an express trust.

Section 7.04. Non-Waiver. Nothing in this Article VII or in any other provision of this Resolution, or in the Series B Bonds, shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the principal of and interest on the Series B Bonds to the respective Owners of the Series B Bonds at the respective dates of maturity, as herein provided, or affect or impair the right of action against the District, which is also absolute and unconditional, of such Owners to institute suit against the District to enforce such payment by virtue of the contract embodied in the Series B Bonds.

A waiver of any default by any Series B Bond owner shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner of any of the Series B Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Series B Bond owners by this Article VI may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners of the Series B Bonds.

If a suit, action or proceeding to enforce any right or exercise any remedy be abandoned or determined adversely to the Series B Bond owners, the District and the Series B Bond owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 7.05. Remedies Not Exclusive. No remedy herein conferred upon the Owners of Series B Bonds shall be exclusive of any other remedy and that each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or thereafter conferred on the Series B Bond owners.

ARTICLE VIII

SUPPLEMENTAL RESOLUTIONS

Section 8.01. Supplemental Resolutions Effective Without Consent of the Owners.

For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the Board may be adopted, which, without the requirement of consent of the Owners of the Series B Bonds, shall be fully effective in accordance with its terms:

- (a) To add covenants and agreements of the Board in this Resolution, which are not contrary to or inconsistent with this Resolution as theretofore in effect;
- (b) To add limitations and restrictions in this Resolution, other limitations and restrictions to be observed by the Board which are not contrary to or inconsistent with this Resolution as theretofore in effect;
- (c) To confirm, as further assurance, any pledge of the District under this Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under this Resolution;
- (d) To cure any ambiguity, supply any omission, substitute any party, or cure or correct any defect or inconsistent provision in this Resolution; or
- (e) To make such additions, deletions or modifications as may be necessary to assure exclusion from gross income for purposes of federal income taxation of interest on the Series B Bonds.

Section 8.02. Supplemental Resolutions Effective With Consent to the Owners. Any modification or amendment of this Resolution and of the rights and obligations of the District and of the Owners of the Series B Bonds may be made by a Supplemental Resolution, with the written consent of the Owners of at least two-thirds in aggregate principal amount of the Series B Bonds Outstanding at the time such consent is given. No such modification or amendment shall permit a change in the terms of maturity of the principal of any Outstanding Bonds or of any interest payable thereon or a reduction in the principal amount thereof or in the rate of interest thereon, or shall reduce the percentage of Series B Bonds the consent of the Owners of which is required to effect any such modification or amendment, or shall change any of the provisions in Section 7.01 hereof relating to Events of Default, or shall reduce the amount of moneys pledged by the District for the repayment of the Series B Bonds without the consent of all the Owners of such Series B Bonds, or shall change or modify any of the rights or obligations of any Paying Agent without its written assent thereto.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits of Resolution Limited to Parties. Nothing in this Resolution, expressed or implied, is intended to give to any person other than the Board, the District, the Paying Agent, the escrow agent (if any), the County and the Owners of the Series B Bonds, any right, remedy, claim under or by reason of this Resolution. Any covenants, stipulations, promises or agreements in this Resolution contained by and on behalf of the District shall be for the sole and exclusive benefit of the Owners of the Series B Bonds.

Section 9.02. Defeasance.

(a) Discharge of Resolution. Any or all Series B Bonds may be paid by the District in any of the following ways, provided that the District also pays or causes to be paid any other sums payable hereunder by the District:

(i) by paying or causing to be paid the Debt Service on Bonds Outstanding and designated for defeasance, as and when the same become due and payable;

(ii) by depositing with an escrow agent, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 9.02(c) to pay Bonds Outstanding and designated for defeasance; or

(iii) by delivering to the Paying Agent, for cancellation by it, Bonds Outstanding and designated for defeasance.

If the District shall pay such Series B Bonds Outstanding as have been designated for defeasance and shall also pay or cause to be paid all other sums payable hereunder by the District, then and in that case, at the election of the District (evidenced by a certificate of a District Representative, filed with the Paying Agent, signifying the intention of the District to discharge all such indebtedness and this Resolution), and notwithstanding that such Series B Bonds shall not have been surrendered for payment, this Resolution and other assets made under this Resolution and all covenants, agreements and other obligations of the District under this Resolution shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in Section 9.02(b). In such event, upon request of the District, the Paying Agent shall cause an accounting for such period or periods as may be requested by the District to be prepared and filed with the District and shall execute and deliver to the District all such instruments as may be necessary to evidence such discharge and satisfaction, and the Paying Agent or an escrow agent shall pay over, transfer, assign or deliver to the District all moneys or securities or other property held by it pursuant to this Resolution which are not required for the payment of such Series B Bonds not theretofore surrendered for such payment.

(b) Discharge of Liability on Bonds. Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 9.02(c) to pay any Outstanding Bond (whether upon or prior to its maturity date), then all liability of the District in respect of such Series B Bond shall cease and be completely discharged, except only that thereafter the Owner thereof shall be entitled only to payment of the principal of and interest on such Series B Bond by the District, and the District shall remain liable for such payment, but only

out of such money or securities deposited with the Paying Agent or an escrow agent as aforesaid for such payment, provided further, however, that the provisions of Section 9.02(d) shall apply in all events.

The District may at any time surrender to the Paying Agent for cancellation by it any Series B Bonds previously issued and delivered, which the District may have acquired in any manner whatsoever, and such Series B Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

(c) Deposit of Money or Securities with Paying Agent or an Escrow Agent. Whenever in this Resolution it is provided or permitted that there be deposited with or held in trust by the Paying Agent or an escrow agent money or securities in the necessary amount to pay any Series B Bonds, the money or securities so to be deposited or held may include money or securities held by the Paying Agent or an escrow agent in the funds and accounts established pursuant to this Resolution and shall be:

(i) lawful money of the United States of America in an amount equal to the principal amount of such Series B Bonds and all unpaid interest thereon to maturity, except that, in the case of Series B Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption has been given as provided in Section 2.03 or provision satisfactory to the Paying Agent has been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or redemption price of such Series B Bonds and all unpaid interest thereon to the redemption date; or

(ii) Federal Securities (not callable by the issuer thereof prior to maturity) the principal of and interest on which when due, in the opinion of a certified public accountant, knowledgeable in calculation of amounts necessary to defease municipal securities, delivered to the District, will provide money sufficient to pay the principal or redemption price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Series B Bonds to be paid or redeemed, as such principal or redemption price and interest become due, provided that, in the case of Series B Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption has been given as provided in Section 2.03 or provision satisfactory to the Paying Agent has been made for the giving of such notice.

(d) Payment of Series B Bonds After Discharge of Resolution. Notwithstanding any provisions of this Resolution, any moneys held by the Paying Agent in trust for the payment of the Debt Service on any Series B Bonds and remaining unclaimed for one year after the Debt Service on all of the Series B Bonds has become due and payable, if such moneys were so held at such date, or one year after the date of deposit of such moneys if deposited after said date when all of the Series B Bonds became due and payable, shall, upon request of the District, be repaid to the District, free from the trusts created by this Resolution, and all liability of the Paying Agent with respect to such moneys shall thereupon cease; *provided, however,* that before the repayment of such moneys to the District as aforesaid, the Paying Agent may (at the cost of the District) first mail to the Owners of all Series B Bonds which have not been paid at the addresses shown on the registration books maintained by the Paying Agent a notice in such form as may be deemed appropriate by the Paying Agent, with respect to the Series B Bonds so payable and not presented and with respect to the provisions relating to the repayment to the District of the moneys held for the payment thereof.

Section 9.03. Execution of Documents and Proof of Ownership by Bondowners. Any request, declaration or other instrument which this Resolution may require or permit to be executed by Bondowners may be in one or more instruments of similar tenor, and shall be executed by Bondowners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Series B Bond owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number and date of holding the same shall be proved by the registry books.

Any request, declaration or other instrument or writing of the Owner of any Series B Bond shall bind all future Owners of such Series B Bond in respect of anything done or suffered to be done by the District, the Paying Agent or the District Representative in good faith and in accordance therewith.

Section 9.04. Waiver of Personal Liability. No board member, officer, agent or employee of the Board or the District shall be individually or personally liable for the payment of the principal of or interest on the Series B Bonds; but nothing herein contained shall relieve any such board member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.05. Destruction of Canceled Bonds. Whenever in this Resolution provision is made for the surrender to the District of any Series B Bonds which have been paid or canceled pursuant to the provisions of this Resolution, a certificate of destruction duly executed by the Paying Agent shall be deemed to be the equivalent of the surrender of such canceled Bonds and the District shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Series B Bonds therein referred to.

Section 9.06. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Resolution shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Resolution. The Board hereby declares that it would have adopted this Resolution and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Series B Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Resolution may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the District is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the District hereunder shall be assumed by and vest in the District Representative in trust for the benefit of the Series B Bond owners.

Section 9.08. Effective Date of Resolution. This Resolution shall take effect from and after the date of its passage and adoption.

* * * * *

PASSED AND ADOPTED this 26th day of September, 2018, by the following vote:

AYES:

NOES:

ABSENT:

President of the Board of Trustees of
San Mateo County Community College District
San Mateo County, California

ATTEST:

Vice President/Clerk of the Board of Trustees of
San Mateo County Community College District,
San Mateo County, California

I, Maurice Goodman, Vice President/Clerk of the Board of Trustees of San Mateo County Community College District, San Mateo County, California, do hereby certify that the foregoing is a full, true and correct copy of the Resolution passed and adopted by said Board of Trustees at a regular meeting on the 26th day of September, 2018, and that the minutes of said Board of Trustees shows that _____(____) members of said Board voted for and _____(____) members of said Board voted against the adoption of said Resolution and the said Resolution is now spread upon the minutes of said Board.

Vice President/Clerk of the Board of Trustees of
San Mateo County Community College District
San Mateo County, California

This bond is one of a duly authorized issue of bonds of the District designated as “San Mateo County Community College District 2018 General Obligation Bonds (Election of 2014), Series B” (the “Series B Bonds”), in an aggregate principal amount of _____ dollars (\$ _____), all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities, interest rates or redemption and other provisions) and all issued pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 of said Code (the “Bond Law”), and pursuant to Resolution No. ____ of the Board of Trustees of the District adopted September 26, 2018 (the “Resolution”), authorizing the issuance of the Series B Bonds. The Series B Bonds are issued as current interest bonds.

The Series B Bonds are being issued subject to the terms and conditions of the Resolution. All capitalized terms herein shall have the same meaning as the capitalized terms in the Resolution. Reference is hereby made to the Resolution (copies of which are on file at the office of the Chancellor of the District) and the Bond Law for a description of the terms on which the Series B Bonds are issued and the rights thereunder of the owners of the Series B Bonds and the rights, duties and immunities of the Paying Agent and the rights and obligations of the District thereunder, to all of the provisions of which Resolution the Owner of this Bond, by acceptance hereof, assents and agrees.

The Series B Bonds have been issued by the District for the purposes specified in the Resolution.

This Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Resolution) are general obligations of the District. The Board of Supervisors of the County of San Mateo (the “County”) has the power and is obligated to levy ad valorem taxes for the payment of the Series B Bonds and the interest thereon upon all property within the District subject to taxation by the District in accordance with and subject to Section 15250 and Section 15252 of the Education Code of California. The Series B Bonds, and the interest thereon, are not a debt of the County.

The Bonds maturing on or before September 1, 20__ are not subject to redemption prior to their respective maturity dates. The Bonds maturing on or after September 1, 20__, are subject to redemption prior to their stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date on or after September 1, 20__, at a redemption price equal to the principal amount of the Bonds called for redemption, without premium, together with interest accrued thereon to the date of redemption.

The Bonds maturing on September 1, 20__ (the “Term Bonds”) are subject to mandatory sinking fund redemption in part by lot in accordance with the schedules set forth below. The Bonds so called for mandatory sinking fund redemption shall be redeemed at the principal amount of such Term Bonds to be redeemed, plus accrued but unpaid interest, without premium.

Term Bonds Maturing September 1, 20__

Mandatory Sinking Fund
Redemption Date

Principal Amount
to be Redeemed

(final maturity)

The Series B Bonds are issuable as fully registered Bonds, without coupons, in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Resolution. Bonds may be exchanged for a like aggregate principal amount of Series B Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Office of the Paying Agent in Los Angeles, California, but only in the manner and subject to the limitations provided in the Resolution, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor.

The District and the Paying Agent may treat the Owner hereof as the absolute owner hereof for all purposes, and the District and the Paying Agent shall not be affected by any notice to the contrary.

The Resolution may be amended without the consent of the Owners of the Series B Bonds to the extent set forth in the Resolution.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the District, does not exceed any limit prescribed by any laws of the State of California, and is not in excess of the amount of Series B Bonds permitted to be issued under the Resolution.

This Bond shall not be entitled to any benefit under the Resolution or become valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed manually by the Paying Agent.

IN WITNESS WHEREOF, the San Mateo County Community College District, San Mateo County, California has caused this Bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the President of the District, and to be countersigned by the manual or facsimile signature of the Vice President/Clerk of the Board of Trustees, and its seal to be reproduced hereon, all as of the Issue Date stated above.

SAN MATEO COUNTY COMMUNITY
COLLEGE DISTRICT

By: _____
President

(S E A L)

ATTEST:

Vice President/Clerk

[FORM OF PAYING AGENT'S CERTIFICATE OF AUTHENTICATION]

San Mateo County Community College District
2018 General Obligation Bond (Election of 2014), Series B

CERTIFICATE OF AUTHENTICATION

This is one of the Series B Bonds described in the within-mentioned Resolution.

Authentication Date:

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Paying Agent

Authorized Signatory

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT
TEN ENT --	as tenants by the entireties	____ Custodian
JT TEN --	as joint tenants with	____ Minor
	right of survivorship and not	Under Uniform Gifts to Minors
	as tenants in common	Act

		(State)

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE LIST ABOVE

(FORM OF ASSIGNMENT)

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint _____, attorney, to transfer the same on the Series B Bond register of the Paying Agent, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a qualified guarantor

NOTICE: The signature on this assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

APPENDIX B

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates that have been provided by the Underwriter, in good faith:

- (A) True interest cost of the Series B Bonds: 3.77%
- (B) Finance charge of the Series B Bonds (sum of all costs of issuance and fees/charges paid to third parties): \$1,259,000
- (C) Net proceeds to be received (net of finance charges, reserves and capitalized interest, if any): \$261,000,000
- (D) Total payment amount through maturity: \$474,499,000

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2018**NEW ISSUE - FULL BOOK-ENTRY**

RATINGS:
Standard & Poor's: "____"
Moody's: "____"
 See "RATINGS" herein.

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax, although, in the case of tax years beginning prior to January 1, 2018, for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest earned by a corporation prior to the end of its tax year in 2018 is taken into account in determining certain income and earnings. In the further opinion of Bond Counsel, interest on the Bonds is exempt from California personal income taxes. See "TAX MATTERS."

\$ _____^{*}
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
 (County of San Mateo, California)
 2018 General Obligation Bonds (Election of 2014), Series B

\$ _____^{*}
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
 (County of San Mateo, California)
 2018 General Obligation Refunding Bonds

\$ _____^{*}
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
 (County of San Mateo, California)
 2018 General Obligation Refunding Bonds
 [(Federally Taxable)][(2019 Forward Delivery)]

Dated: Date of Delivery**Due: September 1, as shown on inside front cover**

Issuance. The above-captioned 2018 General Obligation Bonds (Election of 2014), Series B (the "Series B Bonds") were authorized at an election of the registered voters of the San Mateo County Community College District (the "District") held on November 4, 2014, which authorized the District to issue a total of \$388,000,000 principal amount of general obligation bonds (the "2014 Authorization"). The Series B Bonds are the second [and final] series of bonds to be issued pursuant to the 2014 Authorization. The above-captioned 2018 General Obligation Refunding Bonds (the "2018 Refunding Bonds") are being issued by the District to refund a portion of the outstanding principal amount of the District's 2014 General Obligation Refunding Bonds. The above-captioned 2018 General Obligation Refunding Bonds [(Federally Taxable)][(2019 Forward Delivery)] (the "[Taxable][2019 Forward Delivery] Refunding Bonds" and, collectively with the Series B Bonds and the 2018 Refunding Bonds, the "Bonds") are being issued by the District to refund a portion of the outstanding principal amount of the District's 2015 General Obligation Bonds (Election of 2014), Series A.

The Bonds are being issued as current interest bonds and will be dated their date of original issuance and delivery. They will be issued as fully registered bonds in the denominations of \$5,000, or any integral multiple of \$5,000.

Security. The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes levied by the District and collected by San Mateo County (the "County"). The Board of Supervisors of the County is empowered and obligated to annually levy *ad valorem* taxes for the payment of interest on, and principal of, the Bonds on all property subject to taxation within the District, without limitation of rate or amount (except certain personal property that is taxable at limited rates). The District has previously issued other series of general obligation bonds under prior authorizations. All general obligation bonds of the District are payable from *ad valorem* taxes on a parity with the Bonds. See "SECURITY FOR THE BONDS."

Book-Entry Only. The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchasers will not receive physical certificates representing their interests in the Bonds. See "THE BONDS" and "APPENDIX E - DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Payments. Interest on the Series B Bonds[, the Taxable Refunding Bonds] and the 2018 Refunding Bonds accrues from the date of delivery and is payable semiannually on March 1 and September 1 of each year, commencing March 1, 2019. [Interest on the 2019 Forward Delivery Refunding Bonds accrues from the Settlement Date and is payable semiannually on March 1 and September 1 of each year, commencing September 1, 2019.] Payments of principal of and interest on the Bonds will be paid by The Bank of New York Mellon Trust Company, N.A., as the designated paying agent, to DTC for subsequent disbursement to DTC's participants, which will remit such payments to the Beneficial Owners of the Bonds. See "THE BONDS - Description of the Bonds."

Redemption. The Bonds are subject to optional and mandatory sinking fund redemption prior to maturity as described in this Official Statement. See "THE BONDS - Redemption."

Maturity Schedule
 (See inside front cover)

Cover Page. This cover page contains certain information for general reference only. It is not a summary of all the provisions of the Bonds. Prospective investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Bonds will be offered when, as and if issued and accepted by the Underwriter, subject to the approval as to legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel to the District, and subject to certain other conditions. Jones Hall is also serving as Disclosure Counsel to the District. Nixon Peabody LLP, San Francisco, California, is serving as counsel to

the Underwriter. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC in New York, New York, on or about November __, 2018. [It is anticipated that the 2019 Forward Delivery Refunding Bonds, in book-entry form, will be available for delivery through the facilities of DTC on or about June __, 2019, in accordance with the Forward Delivery Purchase Contract. See "DESCRIPTION OF THE DELAYED DELIVERY CONTRACT" herein.]

MORGAN STANLEY

The date of this Official Statement is _____, 2018.

** Preliminary; subject to change.*

MATURITY SCHEDULES

Base CUSIP:† 799038

\$ _____ *

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
(County of San Mateo, California)
2018 General Obligation Bonds (Election of 2014), Series B

<u>Maturity</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP</u> †
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					

\$ _____ % Term Bonds due September 1, 2043; Yield ___%; Price ___; CUSIP† ___

* Preliminary; subject to change.

† Copyright 2018, American Bankers Association. CUSIP data are provided by Standard & Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc., and are provided for convenience of reference only. Neither the District nor the Underwriter assumes any responsibility for the accuracy of these CUSIP data.

MATURITY SCHEDULES, cont'd.

Base CUSIP:† 799038

\$ _____ *

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
(County of San Mateo, California)
2018 General Obligation Refunding Bonds

<u>Maturity</u> (September 1)	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP</u> †
----------------------------------	-----------------------------------	--------------------------------	--------------	--------------	----------------

\$ _____ % Term Bonds due September 1, 20__; Yield __%; Price __; CUSIP† __

\$ _____ *

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
(County of San Mateo, California)
2018 General Obligation Refunding Bonds
[(Federally Taxable)][(2019 Forward Delivery)]

<u>Maturity</u> (September 1)	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP</u> †
----------------------------------	-----------------------------------	--------------------------------	--------------	--------------	----------------

\$ _____ % Term Bonds due September 1, 2040; Yield __%; Price __; CUSIP† __

* Preliminary; subject to change.

† Copyright 2018, American Bankers Association. CUSIP data are provided by Standard & Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc., and are provided for convenience of reference only. Neither the District nor the Underwriter assumes any responsibility for the accuracy of these CUSIP data.

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

Use of Official Statement. This Official Statement is submitted in connection with the sale of the Bonds referred to in this Official Statement and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not a contract between any Bond owner and the District or the Underwriter. This Official Statement and the information contained in this Official Statement are subject to completion or amendment without notice.

No Offering Except by This Official Statement. Neither the District nor the Underwriter has authorized any dealer, broker, salesperson or other person to give any information or to make any representations relating to the Bonds other than the information contained and the representations made in this Official Statement. If given or made, such other information or representations should not be relied upon as having been authorized by the District or the Underwriter.

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor may there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

Estimates and Projections. When used in this Official Statement or in any continuing disclosure by the District, or in any press release or oral statement made with the approval of an authorized officer of the District, the words or phrases “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project,” “forecast,” “expect,” “intend” and similar expressions identify “forward looking statements.” Forward-looking statements are subject to risks and uncertainties, and so actual results could differ materially from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop the forecasts will not be realized, and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

Information in Official Statement. The District and other sources that are believed to be reliable have furnished the information set forth in this Official Statement. However, the District does not guarantee its accuracy or completeness.

Document Summaries. All summaries of the Bond Resolution or other documents referred to in this Official Statement are provided subject to the provisions of the documents summarized and are qualified in their entirety by reference to such documents. The summaries do not purport to be complete statements of any or all the documents summarized.

No Securities Laws Registration. The Bonds have not been registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, in reliance upon exemptions therein for the issuance and sale of municipal securities. The Bonds have not been registered or qualified under the securities laws of any state.

Effective Date. This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds will, under any circumstances, give rise to any implication that there has been no change in the affairs of the District, the other parties described in this Official Statement, or the condition of the property within the District since the date of this Official Statement.

District Website Not Incorporated. The District maintains an Internet website, but the information on that website is not incorporated by reference in this Official Statement.

The Underwriter has provided the following sentence for inclusion in this Official Statement:

“The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or the completeness of such information.”

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
COUNTY OF SAN MATEO**

District Board of Trustees

Richard Holober, *President*
Maurice Goodman, *Vice President*
Dave Mandelkern, *Trustee*
Thomas Mohr, *Trustee*
Karen Schwarz, *Trustee*
_____, *Student Trustee*

District Administration

Ron Galatolo, *Chancellor*
Kathy Blackwood, *Executive Vice Chancellor*
Bernata Slater, *Chief Financial Officer*

Bond and Disclosure Counsel

Jones Hall, A Professional Law Corporation
San Francisco, California

Underwriter's Counsel

Nixon Peabody LLP
San Francisco, California

Paying Agent

The Bank of New York Mellon Trust Company, N.A.
Los Angeles, California

Verification Agent

Causey Demgen & Moore P.C.
Denver, Colorado

TABLE OF CONTENTS

INTRODUCTION..... 1

THE FINANCING PLAN 4

 Series B Bonds..... 4

 Refunding Bonds 4

SOURCES AND USES OF FUNDS..... 6

THE BONDS..... 7

 Authority for Issuance 7

 Purpose of the Bonds 7

 Description of the Bonds..... 7

 Paying Agent..... 8

 Optional Redemption 8

 Mandatory Sinking Fund Redemption 9

 Notice of Redemption 10

 Partial Redemption 11

 Effect of Redemption 11

 Conditional Redemption Notice; Right to Rescind Notice..... 11

 Registration, Transfer and Exchange of Bonds 11

 Defeasance 12

FORWARD DELIVERY OF FORWARD DELIVERY REFUNDING BONDS..... 13

DEBT SERVICE SCHEDULES 15

SECURITY FOR THE BONDS 21

Ad Valorem Taxes 21

 Interest and Sinking Fund 22

 Limited Obligation 22

PROPERTY TAXATION..... 23

 Property Tax Collection Procedures..... 23

 Unitary Taxation of Utility Property 23

 The Teeter Plan..... 24

 Assessed Valuation 26

 Appeals of Assessed Value 28

 Largest Taxpayers..... 30

 Tax Rates 31

 Overlapping Debt..... 31

TAX MATTERS 33

 Federal Tax Status - Tax Exempt Bonds..... 33

 Tax Treatment of Original Issue Discount and Premium 33

 California Tax Status 34

 Other Tax Considerations 34

 Form of Opinion..... 35

CONTINUING DISCLOSURE..... 35

ABSENCE OF MATERIAL LITIGATION 36

RATINGS..... 36

VERIFICATION OF MATHEMATICAL ACCURACY..... 36

UNDERWRITING..... 36

APPENDIX A - FINANCIAL, ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE DISTRICT AND SAN MATEO COUNTY

APPENDIX B - FISCAL YEAR 2016-17 AUDITED FINANCIAL STATEMENTS

APPENDIX C - PROPOSED FORM OF OPINION OF BOND COUNSEL

APPENDIX D - FORM OF CONTINUING DISCLOSURE CERTIFICATE

APPENDIX E - DTC AND THE BOOK-ENTRY ONLY SYSTEM

[APPENDIX F - FORM OF DELAYED DELIVERY CONTRACT]

OFFICIAL STATEMENT

\$ _____*
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
 (County of San Mateo, California)
 2018 General Obligation Bonds (Election of 2014), Series B

\$ _____*
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
 (County of San Mateo, California)
 2018 General Obligation Refunding Bonds

\$ _____*
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
 (County of San Mateo, California)
 2018 General Obligation Refunding Bonds
 [(Federally Taxable)][(2019 Forward Delivery)]

The purpose of this Official Statement, which includes the cover page, inside front cover page and attached appendices, is to set forth certain information concerning the sale and delivery of the above-captioned 2018 General Obligation Bonds (Election of 2014), Series B (the “**Series B Bonds**”), the 2018 General Obligation Refunding Bonds (the “**2018 Refunding Bonds**”) and the 2018 General Obligation Refunding Bonds [(Federally Taxable)][(Forward Delivery)] (the “**[Taxable][2019 Forward Delivery] Refunding Bonds**”) and, collectively with the Series B Bonds and the 2018 Refunding Bonds, the “**Bonds**”) by the San Mateo County Community College District (the “**District**”).

It is anticipated that the Series B Bonds[, the Taxable Refunding Bonds] and the 2018 Refunding Bonds will be executed and delivered on or about November __, 2018. [It is anticipated that the [2019 Forward Delivery] Refunding Bonds will be executed and delivered on or about June __, 2019* (the “**Settlement Date**”) in accordance with the Forward Delivery Purchase Contract. See “FORWARD DELIVERY OF THE REFUNDING BONDS” herein.]

INTRODUCTION

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement and the documents summarized or described in this Official Statement. A full review should be made of the entire Official Statement. The offering of Bonds to potential investors is made only by means of the entire Official Statement.

The District. The District was formed in 1922 and operates 3 colleges in the County of San Mateo (the “**County**”). The District serves more than 38,000 students annually. See “APPENDIX A – FINANCIAL, ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE DISTRICT AND SAN MATEO COUNTY” and “APPENDIX B - FISCAL YEAR 2016-17 AUDITED FINANCIAL STATEMENTS,” for demographic and financial information regarding the District.

* Preliminary; subject to change.

Authority for the Series B Bonds. The Series B Bonds were authorized at an election held on November 4, 2014 (the “**Bond Election**”), by a vote of more than 55% of the votes cast by eligible voters within the District, which authorized the issuance of an aggregate principal amount of bonds not to exceed \$388,000,000 (“**2014 Authorization**”). The Series B Bonds are issued pursuant to certain provisions of the Government Code, commencing with Section 53506 thereof (the “**Series B Bond Law**”) and pursuant to a resolution of the Board of Trustees of the District (the “**Board**”) adopted on _____, 2018 (the “**Series B Bond Resolution**”).

Authority for the Refunding Bonds. The 2018 Refunding Bonds and the [Taxable][2019 Forward Delivery] Refunding Bonds (collectively, the “**Refunding Bonds**”) are authorized under Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the “**Refunding Bond Law**”), and under a resolution adopted by the Board on _____, 2018 (the “**Refunding Bonds Resolution**”).

See “THE BONDS – Authority for Issuance.” See also “APPENDIX A – FINANCIAL, ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE DISTRICT AND SAN MATEO COUNTY – DISTRICT FINANCIAL INFORMATION – Long-Term Borrowing” for more information about the District’s outstanding general obligation bonds.

Purpose. The net proceeds of the Series B Bonds will be used to finance projects approved at the Bond Election.

The net proceeds of the 2018 Refunding Bonds will be used to refund a portion of the San Mateo County Community College District (San Mateo County, California) 2014 General Obligation Refunding Bonds issued in October 2014 in the aggregate principal amount of \$121,805,000 (the “**2014 Prior Bonds**”). The 2014 Prior Bonds are currently outstanding in the principal amount of \$117,925,000.

The net proceeds of the [Taxable][2019 Forward Delivery] Refunding Bonds will be used to refund a portion of the San Mateo County Community College District (San Mateo County, California) 2015 General Obligation Bonds (Election of 2014), Series A issued in June 2015 in the aggregate principal amount of \$127,000,000 (the “**Series A Bonds**”). The Series A Bonds are currently outstanding in the principal amount of \$89,600,000.

See “THE BONDS – Purpose of the Bonds,” “THE FINANCING PLAN” and “SOURCES AND USES OF FUNDS.”

Security and Sources of Payment for the Bonds. The Bonds are general obligation bonds of the District payable solely from *ad valorem* property taxes levied and collected by the County. The County is empowered and is obligated to annually levy *ad valorem* taxes for the payment of interest on, and principal of, the Bonds on all property subject to taxation within the District, without limitation of rate or amount (except with respect to certain personal property that is taxable at limited rates). The District has previously issued other series of general obligation bonds under two authorizations received by the District. These series of bonds are all payable from *ad valorem* taxes on a parity with the Bonds. See “SECURITY FOR THE BONDS.”

For a schedule of debt service on the general obligation bonds issued by the District, see “DEBT SERVICE SCHEDULES – Aggregate General Obligation Bond Debt Service.”

Payment and Registration of the Bonds. The Bonds are being issued as current interest bonds and will be dated their date of original issuance and delivery. They will be issued

as fully registered bonds in the denominations of \$5,000, or any integral multiple of \$5,000, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“**DTC**”).

The Bonds will be available under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC’s participants. Purchasers of the Bonds will not be entitled to receive physical delivery of the Bonds. See “THE BONDS” and “APPENDIX E - DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

Interest on the Series B Bonds[, the Taxable Refunding Bonds] and the 2018 Refunding Bonds accrues from their delivery date and is payable semiannually on March 1 and September 1 of each year, commencing March 1, 2019. [Interest on the 2019 Forward Delivery Refunding Bonds accrues from the Settlement Date and is payable semiannually on March 1 and September 1 of each year, commencing September 1, 2019.] See “THE BONDS - Description of the Bonds.”

Early Redemption. The Bonds are subject to optional and mandatory sinking fund redemption prior to their maturity, as described in “THE BONDS - Redemption.”

Legal Matters. Issuance of the Bonds is subject to the approving opinion of Jones Hall, A Professional Law Corporation, San Francisco, California (“**Bond Counsel**”), to be delivered in substantially the forms attached to this Official Statement as APPENDIX C. Jones Hall, A Professional Law Corporation, will also serve as Disclosure Counsel to the District. Certain legal matters will be passed upon for the Underwriter by Nixon Peabody LLP, San Francisco, California (“**Underwriter’s Counsel**”). *Payment of the fees of Bond Counsel, Disclosure Counsel, Underwriter’s Counsel and the Underwriter is contingent upon issuance of the Bonds.*

Other Information. This Official Statement speaks only as of its date, and the information contained in this Official Statement is subject to change. Copies of documents referred to in this Official Statement and information concerning the Bonds are available from the District. The District may impose a charge for copying, mailing and handling.

END OF INTRODUCTION

THE FINANCING PLAN

Series B Bonds

The proceeds of the Series B Bonds will be used to finance projects approved by the voters at the Bond Election, which was approved by over 55% of voters of the District. The abbreviated form of the ballot measure is as follows:

“To prepare College of San Mateo, Cañada College and Skyline College students for universities and high-demand jobs; modernize math and science classrooms and labs; upgrade computer, biotechnology and job training facilities; upgrade access for disabled students; ensure classrooms meet earthquake, fire and safety requirements; and replace aging infrastructure with energy efficient systems, shall San Mateo County Community College District issue \$388,000,000 in bonds within legal limits, with annual independent audits, Citizen’s Oversight and all proceeds benefiting your local community colleges?”

In June 2015, the District previously issued \$127,000,000 aggregate principal amount of 2015 General Obligation Bonds (Election of 2014), Series A (the “**Series A Bonds**”). The Series B Bonds will be the second [and final] series of bonds to be issued under the 2014 Authorization.

Refunding Bonds

2018 Refunding Bonds. The District will deliver a portion of the proceeds of the 2018 Refunding Bonds to The Bank of New York Mellon Trust Company, N.A., as escrow agent (in such capacity, the “**Escrow Agent**”), for deposit into a redemption fund (the “**2014 Prior Bonds Redemption Fund**”) established under Irrevocable Refunding Instructions (the “**2014 Prior Bonds Refunding Instructions**”), between the District and the Escrow Agent, as described below.

The District is issuing the 2018 Refunding Bonds to refund a portion of the 2014 Prior Bonds, constituting the term bond maturing September 1, 2038 in the amount of \$34,180,000 (the “**Refunded 2014 Prior Bonds**”), which was issued as a step coupon bond, bearing interest at 3.25% from September 1, 2018 through and including August 31, 2022; 4.125% per annum from September 1, 2022 through and including August 31, 2026; and 5.25% per annum from September 1, 2026 to maturity.

On the Closing Date, the District will cause to be transferred to the Escrow Agent for deposit into the 2014 Prior Bonds Redemption Fund the amount of \$_____ in immediately available funds, derived from proceeds of the 2018 Refunding Bonds. The Escrow Bank will invest a portion of the amounts deposited in the 2014 Prior Bonds Redemption Fund in United States Treasury notes, bonds, bills or certificates of indebtedness, or those securities for which the faith and credit of the United States is pledged for the payment of principal and interest (“**Federal Securities**”), maturing on or prior to _____, 2018. Under the 2014 Prior Bonds Refunding Instructions, the District will irrevocably elect to redeem the Refunded 2014 Prior Bonds on _____, 2018. The redemption price will be equal to the par amount of the Refunded 2014 Prior Bonds together with interest thereon to the redemption date, without premium. On the Closing Date, as a result of the deposit of funds in the 2014 Prior Bonds Redemption Fund as described above, the Refunded 2014 Prior Bonds will be defeased, and all liability of the District with respect to the Refunded 2014 Prior Bonds will be discharged.

[Taxable][2019 Forward Delivery] Refunding Bonds. On the [Closing][Settlement] Date, the District will deliver a portion of the proceeds of the [Taxable][2019 Forward Delivery] Refunding Bonds to the Escrow Bank, for deposit into an escrow fund (the "**2015 Prior Bonds Escrow Fund**") established under an Escrow Deposit and Trust Agreement (the "**2015 Prior Bonds Escrow Agreement**"), between the District and the Escrow Bank, as described below.

The District is issuing the [Taxable][2019 Forward Delivery] Refunding Bonds to refund a portion of the Series A Bonds, constituting the term bond maturing September 1, 2040 in the amount of \$25,325,000 (the "**Refunded 2015 Prior Bonds**"), which was issued as a step coupon bond, bearing interest at 2.50% through and including August 31, 2019; 3.75% per annum from September 1, 2019 through and including August 31, 2025; and 5.00% per annum from September 1, 2025 through and including August 31, 2035; and 5.25% per annum from September 1, 2035 to maturity.

On the [Closing][Settlement] Date, the District will cause to be transferred to the Escrow Bank for deposit into the 2015 Prior Bonds Escrow Fund the amount of \$_____ in immediately available funds, derived from proceeds of the [Taxable][2019 Forward Delivery] Refunding Bonds. The Escrow Bank will invest a portion of the amounts deposited in the 2015 Prior Bonds Escrow Fund in **Federal Securities**, maturing on or prior to September 1, 2019. Under the 2015 Prior Bonds Escrow Agreement, the District will irrevocably elect to redeem the Refunded 2015 Prior Bonds on September 1, 2019. The redemption price will be equal to the par amount of the Refunded 2015 Prior Bonds together with interest thereon to the redemption date, without premium. On the [Closing][Settlement] Date, as a result of the deposit of funds in the 2015 Prior Bonds Escrow Fund as described above, the Refunded 2015 Prior Bonds will be defeased, and all liability of the District with respect to the Refunded 2015 Prior Bonds will be discharged.

Verification. Sufficiency of the deposits in each Escrow Fund for the purposes of the related Escrow Agreement will be verified by Causey Demgen & Moore P.C., Denver, Colorado (the "**Verification Agent**"). See "VERIFICATION OF MATHEMATICAL ACCURACY" below.

The amounts held and invested by the Escrow Bank in each Escrow Fund are pledged solely to the payment of the applicable portion of the Prior Bonds being redeemed. Neither the funds deposited in any Escrow Fund nor the interest on the invested funds will be available for the payment of debt service on the Bonds.

SOURCES AND USES OF FUNDS

The estimated sources and uses of funds with respect to the Bonds are as follows:

	<u>2018 Refunding Bonds</u>	<u>[Taxable] [2019 Forward Delivery] Refunding Bonds</u>
<u>Series B Bonds</u>		
<u>Sources</u>		
Principal Amount of Bonds		
Original Issue Premium		
Total Sources		
<u>Uses</u>		
Deposit to the Building Fund	--	--
Deposit to Escrow Fund	--	
Deposit to the Interest and Sinking Fund	--	--
Costs of Issuance*		
Total Uses		

* All estimated costs of issuance including, but not limited to, Underwriter's discount (see "UNDERWRITING"); printing costs; and fees of Bond Counsel, Disclosure Counsel, Paying Agent and rating agencies.

THE BONDS

Authority for Issuance

Series B Bonds. The Series B Bonds will be issued under the Series B Bond Law and the Series B Bond Resolution. The District received authorization at the Bond Election to issue general obligation bonds in a principal amount of \$388,000,000. The Series B Bonds are the second [and final] series of bonds to be issued pursuant to the 2014 Authorization.

Refunding Bonds. The Refunding Bonds will be issued under the Refunding Bond Law and the Refunding Bond Resolution.

The District has other issues of general obligation bonds and refunding general obligation bonds outstanding as of this date, which are also payable from *ad valorem* taxes levied on property in the District. See “DEBT SERVICE SCHEDULES” below, and Appendix B under the heading “DISTRICT FINANCIAL INFORMATION – Long-Term Debt” for additional information.

Purpose of the Bonds

Series B Bonds. Net proceeds of the Series B Bonds will be used to finance specific acquisition, construction and modernization projects approved by the voters, summarized as follows: to prepare College of San Mateo, Cañada College and Skyline College students for universities and high-demand jobs; modernize math and science classrooms and labs; upgrade computer, biotechnology and job training facilities; upgrade access for disabled students; ensure classrooms meet earthquake, fire and safety requirements; and replace aging infrastructure with energy-efficient systems. See “THE FINANCING PLAN – Series B Bonds.”

Refunding Bonds. The Refunding Bonds are being issued by the District to refund the Refunded 2014 Prior Bonds and the Refunded 2015 Prior Bonds. See “THE FINANCING PLAN – Refunding Bonds.”

Description of the Bonds

Book-Entry Form. The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee of DTC. Purchasers of the Bonds (the “**Beneficial Owners**”) will not receive physical certificates representing their interests in the Bonds. Payments of principal of and interest on the Bonds will be paid by the Paying Agent to DTC for subsequent disbursement to DTC Participants which will remit such payments to the Beneficial Owners of the Bonds. See “APPENDIX E - DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

As long as DTC’s book-entry method is used for the Bonds, the Paying Agent will send any notice of prepayment or other notices to owners only to DTC. Any failure of DTC to advise any DTC Participant, or of any DTC Participant to notify any Beneficial Owner, of any such notice and its content or effect will not affect the validity or sufficiency of the proceedings relating to the prepayment of the Bonds called for prepayment or of any other action premised on such notice.

The Paying Agent, the District, and the Underwriter of the Bonds have no responsibility or liability for any aspects of the records relating to or payments made on account of beneficial ownership, or for maintaining, supervising or reviewing any records relating to beneficial ownership, of interests in the Bonds.

Date of Bonds; Payment Provisions. The Series B Bonds[, the Taxable Refunding Bonds] and the 2018 Refunding Bonds will be dated their delivery date and will bear interest payable semiannually each March 1 and September 1 (each an “**Interest Payment Date**”), commencing March 1, 2019, at the interest rates shown on the inside cover page of this Official Statement. [The 2019 Forward Delivery Refunding Bonds will be dated the Settlement Date and will bear interest payable semiannually on each Interest Payment Date, commencing September 1, 2019, at the interest rates shown on the inside front cover page of this Official Statement.] The Bonds will mature on September 1 in each of the years and in the principal amounts shown on the inside cover page of this Official Statement. Interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months. Each Bond authenticated on or before February 15, 2019 [with respect to the Series B Bonds, the Taxable Refunding Bonds and the 2018 Refunding Bonds or August 15, 2019 with respect to the 2019 Forward Delivery Bonds], will bear interest from the date of the Bonds. Each Bond authenticated during the period between the 15th day of the month preceding any Interest Payment Date (the “**Record Date**”) and that Interest Payment Date will bear interest from that Interest Payment Date. Any other Bond will bear interest from the Interest Payment Date immediately preceding the date of its authentication. If a Payment Date does not fall on a business day, the interest, principal or redemption payment due on such Payment Date will be paid on the next business day. The Bonds will be issued in the denomination of \$5,000 principal amount each or any integral multiple thereof.

See the maturity schedules on the inside cover page of this Official Statement and “DEBT SERVICE SCHEDULES” below.

Paying Agent

Payments of the principal of and interest on the Bonds will be made by The Bank of New York Mellon Trust Company, N.A., as the designated paying agent, registrar and transfer agent (the “**Paying Agent**”), to DTC for subsequent disbursement through DTC Participants (defined herein) to the beneficial owners of the Bonds. See APPENDIX E – “DTC and the Book-Entry Only System.”

The Tax Collector-Treasurer of the County (the “**County Treasurer**”) may remove the Paying Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor must be a bank or trust company doing business and having an office in the State of California (the “**State**”), having a combined capital (exclusive of borrowed capital) and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority.

The Paying Agent may at any time resign by giving written notice to the County Treasurer, the District and the owners of the Bonds (the “**Owners**”) of such resignation. Upon receiving notice of such resignation, the County Treasurer will promptly appoint a successor Paying Agent by an instrument in writing. Any resignation or removal of the Paying Agent and appointment of a successor Paying Agent will become effective upon acceptance of appointment by the successor Paying Agent.

Optional Redemption

Series B Bonds. The Series B Bonds maturing on or before September 1, 20__ are not subject to redemption prior to their respective maturity dates. The Series B Bonds maturing on or after September 1, 20__, are subject to redemption prior to their stated maturity dates, at the

option of the District, from any source of available funds, in whole or in part on any date on or after September 1, 20__, at a redemption price equal to the principal amount of the Series B Bonds called for redemption, without premium, together with interest accrued thereon to the date of redemption.

2018 Refunding Bonds. The 2018 Refunding Bonds maturing on or before September 1, 20__ are not subject to redemption prior to their respective maturity dates. The 2018 Refunding Bonds maturing on or after September 1, 20__, are subject to redemption prior to their stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date on or after September 1, 20__, at a redemption price equal to the principal amount of the 2018 Refunding Bonds called for redemption, without premium, together with interest accrued thereon to the date of redemption.

[Taxable][2019 Forward Delivery] Refunding Bonds. The [Taxable][2019 Forward Delivery] Refunding Bonds maturing on or before September 1, 20__ are not subject to redemption prior to their respective maturity dates. The [Taxable][2019 Forward Delivery] Refunding Bonds maturing on or after September 1, 20__, are subject to redemption prior to their stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date on or after September 1, 20__, at a redemption price equal to the principal amount of the [Taxable][2019 Forward Delivery] Refunding Bonds called for redemption, without premium, together with interest accrued thereon to the date of redemption.

Mandatory Sinking Fund Redemption

Series B Bonds. The Series B Bonds maturing on September 1, 20__ (the “**Series B Term Bonds**”) are subject to mandatory sinking fund redemption in part by lot in accordance with the schedules set forth below. The Series B Bonds so called for mandatory sinking fund redemption shall be redeemed at the principal amount of such Series B Term Bonds to be redeemed, plus accrued but unpaid interest, without premium.

Series B Term Bonds Maturing September 1, 20__

Mandatory Sinking Fund <u>Redemption Date</u>	Principal Amount <u>to be Redeemed</u>
--	---

(final maturity)

2018 Refunding Bonds. The 2018 Refunding Bonds maturing on September 1, 20__ (the “**2018 Refunding Term Bonds**”) are subject to mandatory sinking fund redemption in part by lot in accordance with the schedules set forth below. The 2018 Refunding Bonds so called for mandatory sinking fund redemption shall be redeemed at the principal amount of such Tax-Exempt Refunding Term Bonds to be redeemed, plus accrued but unpaid interest, without premium.

2018 Refunding Term Bonds Maturing September 1, 20__

Mandatory Sinking Fund <u>Redemption Date</u>	Principal Amount <u>to be Redeemed</u>
--	---

(final maturity)

[Taxable][2019 Forward Delivery] Refunding Bonds. The Refunding Bonds maturing on September 1, 20__ (the “[Taxable][2019 Forward Delivery] Refunding Term Bonds” and, together with the Series B Term Bonds and the 2018 Refunding Bonds, the “Term Bonds”) are subject to mandatory sinking fund redemption in part by lot in accordance with the schedules set forth below. The Refunding Bonds so called for mandatory sinking fund redemption shall be redeemed at the principal amount of such Refunding Term Bonds to be redeemed, plus accrued but unpaid interest, without premium.

[Taxable][2019 Forward Delivery] Refunding Term Bonds Maturing September 1, 20__

Mandatory Sinking Fund <u>Redemption Date</u>	Principal Amount <u>to be Redeemed</u>
--	---

(final maturity)

If any such Term Bonds are redeemed pursuant to optional redemption, the total amount of all future sinking fund payments with respect to such Term Bonds shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such payments on a pro rata basis in integral multiples of \$5,000 principal amount (or on such other basis as the District may determine) as set forth in written notice given by the District to the Paying Agent.

Notice of Redemption

The Paying Agent will cause notice of any redemption to be mailed, by first class mail, postage prepaid, at least 30 days but not more than 60 days prior to the date fixed for redemption, to the Electronic Municipal Market Access system (“EMMA”) of the Municipal Securities Rulemaking Board, and to the respective Owners of any Bonds designated for redemption, at their addresses appearing on the Registration Books; but such mailing is not a condition precedent to redemption and failure to mail or to receive any such notice will not affect the validity of the proceedings for the redemption of Bonds.

The redemption notice will state the redemption date and the redemption price and, if less than all of the then-Outstanding Bonds are to be called for redemption, will designate the Bonds to be redeemed, and will require that any redeemed Bonds be surrendered at the Principal Office of the Paying Agent for redemption, giving notice that further interest on such Bonds will not accrue from and after the redemption date.

Partial Redemption

Upon surrender of Bonds redeemed in part only, the District will execute and the Paying Agent will authenticate and deliver to the owner, at the expense of the District, a new Bond or Bonds, of the same maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond or Bonds.

Effect of Redemption

From and after the date fixed for redemption, if notice of such redemption has been duly given and funds available for the payment of the principal of and interest (and premium, if any) on the Bonds so called for redemption have been duly provided, such Bonds so called will cease to be entitled to any benefit under the Bond Resolution, other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in such notice.

Conditional Redemption Notice; Right to Rescind Notice

The District may send a conditional redemption notice that provides that redemption is subject to the availability of sufficient funds on the proposed redemption date. The District has the right to rescind any notice of the optional redemption of Bonds by written notice to the Paying Agent on or before the date fixed for redemption. Any notice of optional redemption will be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation will not constitute a default under the Bond Resolution.

Registration, Transfer and Exchange of Bonds

If the book-entry system as described above and in APPENDIX E is no longer used with respect to the Bonds, the following provisions will govern the registration, transfer, and exchange of the Bonds.

Registration Books. The Paying Agent will keep or cause to be kept sufficient books for the registration and transfer of the Bonds (the “**Registration Books**”), which will at all times be open to inspection by the District upon reasonable notice; and, upon presentation for such purpose, the Paying Agent will, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the Bonds.

Transfer. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the principal office of the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed.

Whenever any Bond or Bonds are surrendered for transfer, the District will execute and the Paying Agent will authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. No transfers will be required to be made (a) 15 days prior to a date established for selection of Bonds for redemption and (b) with respect to a Bond that has been selected for redemption.

Exchange. Bonds may be exchanged at the principal office of the Paying Agent for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity. The District may charge a reasonable sum for each new Bond issued upon any exchange. No exchanges will be required to be made (a) 15 days prior to a date established for selection of Bonds for redemption and (b) with respect to a Bond that has been selected for redemption.

Defeasance

The District has the option to pay and discharge the entire indebtedness on all or any portion of the outstanding Bonds by (i) paying the Bonds when due and payable, (ii) depositing with the Paying Agent money in an amount sufficient to pay debt service on the Bonds when due, including all principal, interest and redemption premiums and (iii) by depositing with the Paying Agent, in trust, cash and certain Federal Securities in an amount determined to be sufficient, together with interest earnings, to be sufficient to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

“**Federal Securities**” is defined in the Bond Resolution as (a) any direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), for which the full faith and credit of the United States of America are pledged; or (b) obligations of any agency, department or instrumentality of the United States of America, the timely payment of principal and interest on which are directly or indirectly secured or guaranteed by the full faith and credit of the United States of America.

[FORWARD DELIVERY OF FORWARD DELIVERY REFUNDING BONDS

Delayed Delivery. The District expects to deliver the 2019 Forward Delivery Refunding Bonds, in book-entry form, to DTC on or about the Settlement Date for the account of the Underwriter pursuant to the Forward Delivery Purchase Contract.

Certain Terms Concerning the Delayed Delivery. The Underwriter reserves the right to obligate investors purchasing the 2019 Forward Delivery Refunding Bonds to execute the delayed delivery contract in substantially the form of APPENDIX F attached hereto (the “**Delayed Delivery Contract**”). The Delayed Delivery Contract restricts the ability of the purchasers of the 2019 Forward Delivery Refunding Bonds to transfer their interests in the 2019 Forward Delivery Refunding Bonds prior to the Settlement Date and no representation is made that any such transfer will be permitted. The proposed form of Delayed Delivery Contract is attached as APPENDIX F at the request and for the convenience of the Underwriter. The District will not be a party to any Delayed Delivery Contracts and is not in any way responsible for the performance thereof or for any representations or warranties contained therein. The rights and obligations under the Forward Delivery Purchase Contract are not conditioned or dependent upon the performance of any Delayed Delivery Contract.

Certain Considerations. The delivery of the 2019 Forward Delivery Refunding Bonds is subject to certain conditions, including, but not limited to, receipt by the District of an opinion of Bond Counsel in substantially the form set forth in APPENDIX C hereto, the delivery of other documents specified in the Forward Delivery Purchase Contract and payment of the purchase price by the Underwriter in accordance with the Forward Delivery Purchase Contract. Changes or proposed changes in federal or State laws, court decisions, regulations or proposed regulations or rulings of administrative agencies occurring or in effect prior to the delivery of the 2019 Forward Delivery Refunding Bonds or failure of the District to provide closing certificates customarily required in connection with the issuance of tax-exempt bonds could prevent those conditions from being satisfied. None of the 2019 Forward Delivery Refunding Bonds will be issued on the Settlement Date unless all of the 2019 Forward Delivery Refunding Bonds are issued on the Settlement Date. See “**UNDERWRITING**” herein for a description of the Underwriter’s obligations under the Forward Delivery Purchase Contract.

During the period between the date hereof and the Settlement Date (the “**Delayed Delivery Period**”), certain information contained in the Official Statement may change in a material respect. The District has agreed to update this Official Statement, if it is necessary, so that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements herein, in the light of the circumstances under which they were made, not misleading as of the Settlement Date. Except for any such update, neither the District nor the Underwriter is obligated to update the Official Statement during the Delayed Delivery Period.

Ratings. It is anticipated that upon the issuance of the 2019 Forward Delivery Refunding Bonds, the existing ratings on the 2019 Forward Delivery Refunding Bonds will be confirmed by S&P and Moody’s. However, no assurance can be given that at the Settlement Date, such ratings will continue to be in effect. See “**RATINGS**.”

Market Value. The market value of the 2019 Forward Delivery Refunding Bonds at the Settlement Date may be affected by a variety of factors, including, without limitation, general market conditions, the ratings then assigned to the 2019 Forward Delivery Refunding Bonds, the financial condition and business operations of the District and federal, state and local income tax

and other laws. The market value of the 2019 Forward Delivery Refunding Bonds as of the Settlement Date could therefore be higher or lower than the price to be paid by the initial purchasers of the 2019 Forward Delivery Refunding Bonds and that difference could be substantial. None of the District, the Underwriter or the Financial Advisor make any representation as to the expected market price of the 2019 Forward Delivery Refunding Bonds as of the Settlement Date.

Secondary Market. The Underwriter is not obligated to make a secondary market in the 2019 Forward Delivery Refunding Bonds and no assurance can be given that a secondary market will exist for the 2019 Forward Delivery Refunding Bonds, including during the Delayed Delivery Period. Prospective purchasers of the 2019 Forward Delivery Refunding Bonds should assume that there will be no secondary market during the Delayed Delivery Period.

Federal Tax Proposals. The Forward Delivery Purchase Contract obligates the District to deliver and the Underwriter to acquire the 2019 Forward Delivery Refunding Bonds if the District delivers an opinion of Bond Counsel substantially in the form set forth in APPENDIX C hereto to the effect that the interest on the 2019 Forward Delivery Refunding Bonds is not subject to inclusion in gross income for federal income tax purposes. It is possible that certain bills could be introduced (or that bills previously introduced could be amended) in the U.S. Congress that, if adopted, would reform the system of federal taxation. Those bills could (i) eliminate the tax exemption granted to interest payable on "state or local bonds" such as the 2019 Forward Delivery Refunding Bonds, or (ii) diminish the value of the federal tax exemption granted interest on such bonds under the current system of federal income taxation. Notwithstanding that the enactment of certain of those bills could diminish the value of the federal exemption for interest payable on "state or local bonds" the District might be able to satisfy the requirements for the delivery of the 2019 Forward Delivery Refunding Bonds. In such event, the purchasers would be required to accept delivery of the 2019 Forward Delivery Refunding Bonds. Prospective purchasers are encouraged to consult their tax advisors regarding the likelihood that such bills would be introduced or amended or enacted and the consequences of such enactment to the purchasers.]

DEBT SERVICE SCHEDULES

Series B Bonds. The following table shows the semi-annual and annual debt service schedules with respect to the Series B Bonds (assuming no optional redemptions).

**Table 1
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
SERIES B BONDS DEBT SERVICE SCHEDULE**

Payment Date	Series B Bonds Principal	Series B Bonds Interest	Total Series B Bonds Debt Service	Series B Bonds Annual Debt Service
3/1/2019				
9/1/2019				
3/1/2020				
9/1/2020				
3/1/2021				
9/1/2021				
3/1/2022				
9/1/2022				
3/1/2023				
9/1/2023				
3/1/2024				
9/1/2024				
3/1/2025				
9/1/2025				
3/1/2026				
9/1/2026				
3/1/2027				
9/1/2027				
3/1/2028				
9/1/2028				
3/1/2029				
9/1/2029				
3/1/2030				
9/1/2030				
3/1/2031				
9/1/2031				
3/1/2032				
9/1/2032				
3/1/2033				
9/1/2033				
3/1/2034				
9/1/2034				
3/1/2035				
9/1/2035				
3/1/2036				
9/1/2036				
3/1/2037				
9/1/2037				
3/1/2038				
9/1/2038				
3/1/2039				
9/1/2039				

3/1/2040
9/1/2040
3/1/2041
9/1/2041
3/1/2042
9/1/2042
3/1/2043
9/1/2043
Total

2018 Refunding Bonds. The following table shows the semi-annual and annual debt service schedules with respect to the 2018 Refunding Bonds (assuming no optional redemptions).

**Table 2
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
2018 REFUNDING BONDS DEBT SERVICE SCHEDULE**

<u>Payment Date</u>	<u>Tax-Exempt Refunding Bonds Principal</u>	<u>Tax-Exempt Refunding Bonds Interest</u>	<u>Total 2018 Refunding Bonds Debt Service</u>	<u>2018 Refunding Bonds Annual Debt Service</u>
3/1/2019				
9/1/2019				
3/1/2020				
9/1/2020				
3/1/2021				
9/1/2021				
3/1/2022				
9/1/2022				
3/1/2023				
9/1/2023				
3/1/2024				
9/1/2024				
3/1/2025				
9/1/2025				
3/1/2026				
9/1/2026				
3/1/2027				
9/1/2027				
3/1/2028				
9/1/2028				
3/1/2029				
9/1/2029				
3/1/2030				
9/1/2030				
3/1/2031				
9/1/2031				
3/1/2032				
9/1/2032				
3/1/2033				
9/1/2033				
3/1/2034				
9/1/2034				
3/1/2035				
9/1/2035				
3/1/2036				
9/1/2036				
3/1/2037				
9/1/2037				
3/1/2038				
9/1/2038				
Total				

[Taxable][2019 Forward Delivery] Refunding Bonds. The following table shows the semi-annual and annual debt service schedules with respect to the [Taxable][Forward Delivery] Refunding Bonds (assuming no optional redemptions).

**Table 3
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
[TAXABLE][2019 FORWARD DELIVERY] REFUNDING BONDS DEBT SERVICE SCHEDULE**

Payment Date	[Taxable] [2019 Forward Delivery] Refunding Bonds Principal	[Taxable] [2019 Forward Delivery] Refunding Bonds Interest	Total [Taxable] [2019 Forward Delivery] Refunding Bonds Debt Service	[Taxable] [2019 Forward Delivery]Refund ing Bonds Annual Debt Service
3/1/2019				
9/1/2019				
3/1/2020				
9/1/2020				
3/1/2021				
9/1/2021				
3/1/2022				
9/1/2022				
3/1/2023				
9/1/2023				
3/1/2024				
9/1/2024				
3/1/2025				
9/1/2025				
3/1/2026				
9/1/2026				
3/1/2027				
9/1/2027				
3/1/2028				
9/1/2028				
3/1/2029				
9/1/2029				
3/1/2030				
9/1/2030				
3/1/2031				
9/1/2031				
3/1/2032				
9/1/2032				
3/1/2033				
9/1/2033				
3/1/2034				
9/1/2034				
3/1/2035				
9/1/2035				
3/1/2036				
9/1/2036				
3/1/2037				
9/1/2037				
3/1/2038				
9/1/2038				

3/1/2039

9/1/2039

3/1/2040

9/1/2040

Total

Aggregate General Obligation Bond Debt Service Schedule. The following table presents the combined debt service schedules for the Bonds and all other outstanding general obligation bonds of the District.

**Table 4
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
COMBINED DEBT SERVICE SCHEDULES
As of the Delivery Date**

<u>Period Ending September 1</u>	<u>Election of 2001 Authorization</u>	<u>Election of 2005 Authorization</u>	<u>2012 Refunding Bonds</u>	<u>2014 Refunding Bonds⁽¹⁾</u>	<u>Series A Bonds⁽¹⁾</u>	<u>Series B Bonds</u>	<u>Tax-Exempt Refunding Bonds</u>	<u>[Taxable] [2019 Forward Delivery] Refunding Bonds</u>	<u>Total</u>
2019	\$5,945,000.00	\$8,925,000.00	\$19,108,525.00	\$5,750,500.00	\$3,818,875.00				
2020	6,405,000.00	18,030,000.00	11,598,725.00	5,751,100.00	4,135,437.50				
2021	11,375,000.00	19,365,000.00	7,462,925.00	5,751,300.00	4,135,437.50				
2022	12,135,000.00	20,830,000.00	7,505,125.00	5,750,700.00	4,340,437.50				
2023	11,985,000.00	22,325,000.00	8,548,875.00	5,748,375.00	4,510,187.50				
2024	12,785,000.00	23,905,000.00	4,838,000.00	8,988,175.00	4,685,937.50				
2025	13,630,000.00	25,575,000.00	4,985,000.00	8,962,925.00	4,866,937.50				
2026	14,520,000.00	27,345,000.00	5,129,250.00	8,925,175.00	5,055,687.50				
2027	21,785,000.00	29,205,000.00	--	8,879,700.00	5,252,437.50				
2028	22,930,000.00	31,165,000.00	--	8,816,700.00	5,457,437.50				
2029	6,895,000.00	33,245,000.00	--	25,967,950.00	5,669,687.50				
2030	26,125,000.00	35,425,000.00	--	7,917,450.00	5,893,187.50				
2031	5,815,000.00	34,995,000.00	--	17,837,200.00	6,120,000.00				
2032	--	36,680,000.00	--	10,806,950.00	6,360,750.00				
2033	--	39,325,000.00	--	10,586,200.00	6,609,250.00				
2034	--	42,110,000.00	--	10,351,950.00	6,867,250.00				
2035	--	45,035,000.00	--	10,094,450.00	7,133,750.00				
2036	--	48,110,000.00	--	9,828,700.00	7,412,312.50				
2037	--	51,350,000.00	--	9,544,025.00	7,702,837.50				
2038	--	54,750,000.00	--	9,240,950.00	8,002,112.50				
2039	--	--	--	--	8,313,300.00				
2040	--	--	--	--	8,639,300.00				
2041	--	--	--	--	8,977,750.00				
2042	--	--	--	--	9,323,500.00				
2043	--	--	--	--	9,689,750.00				
2044	--	--	--	--	10,068,750.00				
2045	--	--	--	--	10,458,000.00				
2046	--	--	--	--	--				
2047	--	--	--	--	--				
2048	--	--	--	--	--				
Total:	\$172,330,000.00	\$647,695,000.00	\$69,176,425.00	\$195,500,475.00	\$179,500,300.00				

(1) A portion of the 2014 Refunding Bonds are expected to be refunded with proceeds of the Tax-Exempt Refunding Bonds.

(2) A portion of the Series A Bonds are expected to be refunded with proceeds of the 2019 Forward Delivery Refunding Bonds.

SECURITY FOR THE BONDS

Ad Valorem Taxes

Bonds Payable from Ad Valorem Property Taxes. The Bonds are general obligation bonds of the District, payable solely from *ad valorem* property taxes levied and collected by the County. The County is empowered and is obligated to annually levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation within the District, without limitation of rate or amount (except certain personal property which is taxable at limited rates).

Other Bonds Payable from Ad Valorem Property Taxes. In addition to the Prior Bonds, the District has previously issued other series of general obligation bonds under two authorizations received by the District. These series of bonds are all payable from *ad valorem* taxes on a parity with the Bonds. See "THE FINANCING PLAN – Debt Service Schedules – Aggregate General Obligation Bond Debt Service" for a schedule of the general obligation bonds issued under authorizations of the District.

In addition to the general obligation bonds issued by the District, there is other debt issued by entities with jurisdictions in the District, which is payable from *ad valorem* taxes levied on property in the District. See "PROPERTY TAXATION – Tax Rates" and "- Direct and Overlapping Debt" below.

Statutory Lien on Ad Valorem Tax Revenues. Pursuant to Senate Bill 222 effective January 1, 2016, voter approved general obligation bonds which are secured by *ad valorem* tax collections, including the Bonds, are secured by a statutory lien on all revenues received pursuant to the levy and collection of the property tax imposed to service those bonds. Said lien attaches automatically and is valid and binding from the time the bonds are executed and delivered. The lien is enforceable against the school district or community college district, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any further act.

Levy and Collection. The County will levy and collect such *ad valorem* taxes in such amounts and at such times as is necessary to ensure the timely payment of debt service. Such taxes, when collected, will be deposited into an interest and sinking fund for the Bonds, which is maintained by the County and which is irrevocably pledged for the payment of principal of and interest on the Bonds when due.

District property taxes are assessed and collected by the County in the same manner and at the same time, and in the same installments as other *ad valorem* taxes on real property, and will have the same priority, become delinquent at the same times and in the same proportionate amounts, and bear the same proportionate penalties and interest after delinquency, as do the other *ad valorem* taxes on real property.

Annual Tax Rates. The amount of the annual *ad valorem* tax levied by the County to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rate to fluctuate.

Economic and other factors beyond the District's control, such as economic recession, deflation of land values, a relocation out of the District or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by earthquake, flood, fire or other natural disaster, could cause a reduction in the assessed value within the District and necessitate a corresponding increase in the annual tax rate.

Interest and Sinking Fund

Pursuant to the Bond Resolution, the County will create, while the Bonds are Outstanding, an interest and sinking fund for the Bonds (the "**Interest and Sinking Fund**"), which will be maintained by the County Treasurer as a separate account, distinct from all other funds of the District, into which will be paid on receipt thereof the proceeds of any *ad valorem* taxes levied upon the property within the District for the payment of the Bonds and the interest thereon.

The moneys in the Interest and Sinking Fund, to the extent necessary to pay the principal of and interest on the Bonds as the same become due and payable, will be transferred by the County Treasurer to the Paying Agent in immediately available funds on each payment date, which, in turn, will pay such moneys to the Owners of the Bonds in accordance with the Bond Resolution. Interest earnings on funds in the Interest and Sinking Fund will remain therein.

Moneys held in the Interest and Sinking Fund will be invested at the discretion of the County Treasurer pursuant to applicable law and the investment policy of the County, as such policy shall exist at the time of investment.

Any moneys remaining in the Interest and Sinking Fund after the Bonds and the interest thereon have been paid, or provision for such payment has been made, will be transferred to the general fund of the District.

Limited Obligation

The Bonds are payable solely from the proceeds of an *ad valorem* tax levied and collected by the County, for the payment of principal of and interest on the Bonds. Although the County is obligated to collect the *ad valorem* tax for the payment of the Bonds, the Bonds are not a debt of the County.

PROPERTY TAXATION

Property Tax Collection Procedures

In California, property that is subject to *ad valorem* taxes is classified as either “secured” or “unsecured.” The “secured roll” is that part of the assessment roll containing state-assessed public utilities’ property, as well as property, the taxes on which are secured by a lien that is sufficient, in the opinion of the county assessor, to secure payment of those taxes. A tax levied on unsecured property does not become a lien against such unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax that becomes a lien on secured property has priority over all other liens arising pursuant to State law on such secured property, regardless of the time of the creation of the other liens. Secured property and unsecured property are entered separately on the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property.

Secured Roll. Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. In addition, property on the secured roll for which taxes are delinquent is declared tax-defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1-1/2% per month to the time of redemption. If property taxes remain unpaid for a period of five years or more, the property is subject to sale by the County for the amount of taxes that are delinquent. This is the exclusive means of enforcing the payment of delinquent taxes for property on the secured roll.

Property taxes on the secured roll are levied for each fiscal year on taxable real and personal property situated in the taxing jurisdiction as of the preceding January 1. However, a bill enacted in 1983, SB813 (Statutes of 1983, Chapter 498), provided for the supplemental assessment and taxation of property as of the occurrence of a change of ownership or completion of new construction. This legislation eliminated delays in the realization of increased property taxes from new assessments. As amended, SB813 provides increased revenue to taxing jurisdictions to the extent that supplemental assessments of new construction or changes of ownership occur subsequent to the January 1 lien date and result in increased assessed value.

Unsecured Roll. Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent, if unpaid on the following August 31. A 10% penalty is also attached to delinquent taxes in respect of property on the unsecured roll, and further, an additional penalty of 1-1/2% per month accrues with respect to such taxes beginning the first day of the third month following the delinquency date. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the county recorder’s office, in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee.

Unitary Taxation of Utility Property

Historically, property of regulated public utilities was assessed for local tax purposes by the State Board of Equalization on a geographical basis in basically the same manner as other taxable property in any taxing jurisdiction.

In 1987, the State Legislature enacted Chapter 921 amending Section 98.9 and various other sections of the Revenue and Taxation Code. The legislation established in each county one county-wide tax rate area with the assessed value of all unitary and operating non-unitary utility property being assigned to this tax rate area.

The result was a single assessed valuation figure for all utility property owned by each utility within the county without any breakdown for individual taxing jurisdictions. All utility property is subject to a tax at a rate equal to the sum of the following two rates:

- A rate determined by dividing the county's total *ad valorem* tax levies for the secured roll for the prior year, exclusive of levies for debt service, by the county's total *ad valorem* secured roll assessed value for the prior year, and
- A rate determined by dividing the county's total *ad valorem* tax levies for the secured roll for the prior year for debt service only, by the county's total *ad valorem* secured roll assessed value for the prior year.

The foregoing process results in the creation of two pools of money, with the first pool being available for general tax purposes and the second pool being available for debt service purposes, each pool being then allocated to the various taxing jurisdictions in the county by a statutory formula for the county as a whole.

The Teeter Plan

The Board of Supervisors of the County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "**Teeter Plan**"), as provided for in Section 4701 et seq. of the California Revenue and Taxation Code. Under the Teeter Plan, each entity levying property taxes in the County may draw on the amount of uncollected secured taxes credited to its fund, in the same manner as if the amount credited had been collected. The District participates in the Teeter Plan, and thus receives 100% of secured property taxes levied in exchange for foregoing any interest and penalties collected on delinquent taxes. However, under the statute creating the Teeter Plan, the Board of Supervisors could under certain circumstances terminate the Teeter Plan in its entirety and, in addition, the Board of Supervisors could terminate the Teeter Plan if the delinquency rate for all *ad valorem* property taxes levied within the District in any year exceeds 3%. In the event that the Teeter Plan were terminated, the amount of the property taxes received by the District would depend upon the collections of the *ad valorem* property taxes and delinquency rates experienced with respect to the parcels within the District.

The following table displays secured tax charges and delinquencies in the District for the overall tax levy and for the levy of bond debt service only, beginning in fiscal year 2005-06.

Table 4
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
SECURED TAX LEVIES AND DELINQUENCIES
Fiscal Years 2005-06 through 2017-18 [2017-18 FIGURES TO COME]

Fiscal Year	Secured Tax Charge ⁽¹⁾	Amount Delinquent June 30	% Delinquent June 30
2005-06	\$1,251,753,128.84	\$17,103,424.45	1.37%
2006-07	1,376,409,253.08	26,197,807.48	1.90
2007-08	1,457,093,830.58	46,697,485.14	3.20
2008-09	1,584,588,941.64	43,515,351.54	2.75
2009-10	information not available for this fiscal year ⁽²⁾		
2010-11	1,626,551,714.26	22,740,076.57	1.40
2011-12	1,669,998,720.98	19,012,123.17	1.14
2012-13	1,734,173,278.16	14,429,057.46	0.83
2013-14	1,844,431,216.26	12,687,967.03	0.69
2014-15	1,966,770,411.00	13,608,847.00	0.69
2015-16	2,108,835,147.00	12,480,181.00	0.59
2016-17	2,264,773,716.00	12,299,689.00	0.54
2017-18			

Fiscal Year	Secured Tax Charge ⁽³⁾	Amount Delinquent June 30	% Delinquent June 30
2005-06	\$ 6,779,290.33	\$ 82,367.34	1.21%
2006-07	21,038,451.18	367,051.33	1.74
2007-08	21,149,574.25	624,882.12	2.95
2008-09	21,803,689.20	545,067.34	2.50
2009-10	24,282,574.60	473,870.06	1.95
2010-11	25,677,077.00	328,273.42	1.28
2011-12	26,726,745.73	270,005.11	1.01
2012-13	26,929,818.87	197,495.96	0.73
2013-14	28,654,484.65	170,813.97	0.60
2014-15	29,653,487.00	164,391.00	0.55
2015-16	42,069,276.00	220,657.00	0.52
2016-17	44,842,298.00	245,488.00	0.55
2017-18			

(1) All taxes collected by the County. Includes special charges.

(2) County did not provide information for fiscal year 2009-10.

(3) Bond debt service levy only.

Source: California Municipal Statistics, Inc.

Assessed Valuation

The following table identifies the assessed valuation historical trends for the District for fiscal year 2007-08 through fiscal year 2018-19.

Table 5
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
HISTORIC ASSESSED VALUATIONS
Fiscal Years 2007-08 through 2018-19

	Local Secured	Utility	Unsecured	Total Assessed Value
2007-08	\$123,997,805,609	\$33,808,711	\$8,159,763,532	\$132,191,377,852
2008-09	133,289,757,862	32,748,799	9,552,716,788	142,875,223,449
2009-10	134,780,021,980	33,022,897	9,063,837,421	143,876,882,298
2010-11	134,084,580,204	32,588,160	7,780,768,626	141,897,936,990
2011-12	135,460,795,391	21,446,780	7,961,006,485	143,443,248,656
2012-13	139,764,977,848	24,892,286	8,395,280,383	148,185,150,517
2013-14	148,394,975,444	25,616,795	8,595,801,332	157,016,393,571
2014-15	156,966,133,122	24,716,356	8,766,556,992	165,757,406,470
2015-16	169,079,966,601	27,104,330	9,249,703,279	178,356,774,210
2016-17	182,147,669,087	24,481,212	9,693,669,228	191,865,819,527
2017-18	196,058,271,018	24,480,920	10,838,950,485	206,921,702,423
2018-19	212,054,095,291	23,187,253	11,385,629,516	223,462,912,060

Source: California Municipal Statistics, Inc.

The following table shows a breakdown of local secured property assessed value and parcels within the District by land use for fiscal year 2018-19.

Table 6
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
LOCAL SECURED PROPERTY ASSESSED VALUATION AND PARCELS BY LAND USE
Fiscal Year 2018-19

	2018-19 Assessed Valuation (1)	% of Total	No. of Parcels	% of Total
Non-Residential:				
Agricultural/Rural	\$ 516,245,558	0.24%	1,124	0.51%
Commercial/Office Building	26,790,624,560	12.63	5,871	2.66
Industrial	13,191,729,407	6.22	2,796	1.27
Recreational	802,454,505	0.38	550	0.25
Government/Social/Institutional	1,099,573,154	0.52	1,308	0.59
Water Companies/Transportation	<u>376,702,509</u>	<u>0.18</u>	<u>1,774</u>	<u>0.80</u>
Subtotal Non-Residential	\$42,777,329,693	20.17%	13,423	6.07%
Residential:				
Single Family Residence	\$133,365,564,630	62.89%	161,152	72.93%
Rural Residential	731,686,471	0.35	697	0.32
Condominium/Townhouse	12,975,309,870	6.12	25,533	11.55
Mobile Home	35,718,433	0.02	1,107	0.50
Mobile Home Park	143,711,889	0.07	51	0.02
Hotel/Motel	2,740,597,994	1.29	233	0.11
2-4 Residential Units	3,560,054,716	1.68	5,411	2.45
5+ Residential Units/Apartments	12,919,206,790	6.09	3,313	1.50
Miscellaneous Residential	<u>247,587,395</u>	<u>0.12</u>	<u>183</u>	<u>0.08</u>
Subtotal Residential	\$166,719,438,188	78.62%	197,680	89.46%
Vacant Parcels	\$2,557,327,410	1.21%	9,879	4.47%
Total	\$212,054,095,291	100.00%	220,982	100.00%

(1) Local Secured Assessed Valuation; excluding tax-exempt property.
Source: California Municipal Statistics, Inc.

The following table shows the per parcel assessed valuation of single family homes in the District, according to the County records for fiscal year 2018-19.

Table 7
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
PER PARCEL ASSESSED VALUATION OF SINGLE FAMILY HOMES
Fiscal Year 2018-19

Single Family Residential	No. of Parcels	2018-19 Assessed Valuation		Average Assessed Valuation	Median Assessed Valuation	
	161,152	\$133,365,564,630		\$827,576	\$579,544	
2018-18 Assessed Valuation	No. of Parcels (1)	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
\$0 - \$99,999	11,704	7.263%	7.263%	\$ 911,613,443	0.684%	0.684%
\$100,000 - \$199,999	18,855	11.700	18.963	2,685,591,096	2.014	2.697
\$200,000 - \$299,999	13,126	8.145	27.108	3,284,316,087	2.463	5.160
\$300,000 - \$399,999	14,385	8.926	36.034	5,029,056,552	3.771	8.931
\$400,000 - \$499,999	12,761	7.919	43.953	5,743,323,488	4.306	13.237
\$500,000 - \$599,999	12,268	7.613	51.566	6,751,794,207	5.063	18.300
\$600,000 - \$699,999	11,604	7.201	58.766	7,534,811,244	5.650	23.950
\$700,000 - \$799,999	10,709	6.645	65.412	8,022,015,404	6.015	29.965
\$800,000 - \$899,999	9,463	5.872	71.284	8,034,051,347	6.024	35.989
\$900,000 - \$999,999	7,857	4.876	76.159	7,447,139,533	5.584	41.573
\$1,000,000 - \$1,099,999	5,737	3.560	79.719	6,007,166,866	4.504	46.077
\$1,100,000 - \$1,199,999	4,393	2.726	82.445	5,042,496,072	3.781	49.858
\$1,200,000 - \$1,299,999	3,548	2.202	86.647	4,428,934,995	3.321	53.179
\$1,300,000 - \$1,399,999	3,185	1.976	86.623	4,295,316,619	3.221	56.400
\$1,400,000 - \$1,499,999	2,754	1.709	88.332	3,985,496,656	2.988	59.388
\$1,500,000 - \$1,599,999	2,380	1.477	89.809	3,682,887,530	2.761	62.149
\$1,600,000 - \$1,699,999	1,894	1.175	90.984	3,121,338,261	2.340	64.490
\$1,700,000 - \$1,799,999	1,600	0.993	91.977	2,797,768,486	2.098	66.588
\$1,800,000 - \$1,899,999	1,377	0.854	92.832	2,545,472,899	1.909	68.496
\$1,900,000 - \$1,999,999	1,138	0.706	93.538	2,215,713,354	1.661	70.158
\$2,000,000 and greater	<u>10,414</u>	<u>6.462</u>	100.000	<u>39,799,260,491</u>	<u>29.842</u>	100.000
Total	161,152	100.000%		\$133,365,564,630	100.000%	

Source: California Municipal Statistics, Inc.

Appeals of Assessed Value

General. There are two types of appeals of assessed values that could adversely impact property tax revenues within the District.

Appeals may be based on Proposition 8 of November 1978, which requires that for each January 1 lien date, the taxable value of real property must be the lesser of its base year value, annually adjusted by the inflation factor pursuant to Article XIII A of the State Constitution, or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value.

Under California law, property owners may apply for a reduction of their property tax assessment by filing a written application, in the form prescribed by the State Board of Equalization, with the County board of equalization or assessment appeals board. In most cases, the appeal is filed because the applicant believes that present market conditions (such as

residential home prices) cause the property to be worth less than its current assessed value. Proposition 8 reductions may also be unilaterally applied by the County Assessor.

Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed. These reductions are subject to yearly reappraisals and are adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS" in APPENDIX A.

A second type of assessment appeal involves a challenge to the base year value of an assessed property. Appeals for reduction in the base year value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

No assurance can be given that property tax appeals in the future will not significantly reduce the assessed valuation of property within the District.

Largest Taxpayers

The largest assessed property taxpayers in the District for fiscal year 2018-19 are shown in the following table.

Table 8
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
LARGEST LOCAL SECURED TAXPAYERS
Fiscal Year 2018-19

<u>Property Owner</u>	<u>2018-19 Primary Land Use</u>	<u>% of Assessed Valuation</u>	<u>Total (1)</u>
1. Genentech Inc.	Industrial	\$ 2,303,394,673	1.09%
2. Gilead Sciences Inc.	Industrial	1,749,805,290	0.83
3. Hibiscus Properties LLC	Office Building	1,107,163,554	0.52
4. Google Inc.	Office Building	1,031,549,357	0.49
5. ARE San Francisco	Industrial	892,274,373	0.42
6. Oracle Corporation	Office Building	690,683,911	0.33
7. Slough BTC LLC	Industrial	646,570,261	0.30
8. Daly City Serramonte Center LLC	Shopping Center	494,080,480	0.23
9. Facebook Inc.	Office Building	490,838,357	0.23
10. Peninsula Innovation Partners LLC	Industrial	471,036,440	0.22
11. HCP Oyster Point III LLC	Industrial	439,317,666	0.21
12. BMR Lincoln Center LP	Industrial	348,378,682	0.16
13. Hudson Metro Center LLC, Lessee	Office Building	335,454,525	0.16
14. Aimco Indigo LP	Apartments	322,535,857	0.15
15. Britannia Pointe Grand LP	Industrial	309,612,762	0.15
16. Franklin Templeton Corporate Services Inc.	Office Building	290,697,530	0.14
17. Westport Office Park LLC	Office Building	287,891,308	0.14
18. DWF IV 1400-1500 Seaport Blvd. LLC	Office Building	273,572,913	0.13
19. RWC Harbor Communities LLC	Apartments	263,415,693	0.12
20. Slough Redwood City LLC	Industrial	<u>261,888,796</u>	<u>0.12</u>
	\$13,010,162,428		6.14%

(1) 2018-19 Local Secured Assessed Valuation: \$212,054,095,291.

Source: California Municipal Statistics, Inc.

Tax Rates

Contained within the District's boundaries are numerous overlapping local agencies. The following table sets forth a five-year history of the total tax rates in Tax Rate Area 12-001 and Tax Rate Area 9-001. Tax Rate Area 12-001 has a total 2017-18 assessed value of \$19,579,539,911, which is approximately 9.5% of the assessed valuation in the District. Tax Rate Area 9-001 has a total 2017-18 assessed value of \$9,444,516,021, which is approximately 4.6% of the assessed valuation in the District. Figures for fiscal year 2018-19 are not yet available.

Table 9
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
REPRESENTATIVE TAX RATE FIVE-YEAR HISTORY(1)
(Tax Rate Area 12-001 and Tax Rate Area 9-001)
Fiscal Years 2013-14 through 2017-18

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>
<u>Tax Rate Area 12-001 – 2018-19 Assessed Valuation: \$19,579,539,911</u>					
General	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
City of San Mateo Bond	0.0105	0.0105	0.0102	0.0090	0.0084
San Mateo-Foster City School District Bond	0.0421	0.0388	0.0402	0.0546	0.0542
San Mateo High School District Bond	0.0355	0.0475	0.0466	0.0415	0.0433
San Mateo Community College District Bond	0.0194	0.0190	0.0250	0.0247	0.0235
Total	1.1075%	1.1158%	1.1220%	1.1298%	1.1294%
<u>Tax Rate Area 9-001 – 2018-19 Assessed Valuation: \$9,444,516,021</u>					
General	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Midpeninsular Regional Open Space District	-	-	0.0008	0.0006	0.0009
Redwood City School District	0.0240	0.0230	0.0158	0.0461	0.0412
Sequoia Union High School District	0.0313	0.0433	0.0434	0.0391	0.0383
San Mateo Community College District Bond	0.0194	0.0190	0.0250	0.0247	0.0235
Total	1.0747%	1.0853%	1.0850%	1.1105%	1.1039%

(1) Tax Rate Areas 12-001 and 9-001 are the two largest within the District in terms of assessed valuation.
Source: *California Municipal Statistics, Inc.*

Overlapping Debt

Contained within the District's boundaries are numerous overlapping local agencies providing public services. These local agencies have outstanding bonds issued in the form of general obligation, lease revenue and special assessment. The direct and overlapping debt of the District is shown in the following table. Self-supporting revenue bonds, tax allocation bonds and non-bonded capital lease obligations are excluded from the debt statement.

Table 10
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
STATEMENT OF DIRECT AND OVERLAPPING DEBT
AS OF SEPTEMBER 1, 2018

2018-19 Assessed Valuation: \$223,462,912,060

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 10/1/18</u>	
	100. %	\$	
San Mateo Community College District	100.	543,165,076	(1)
Cabrillo Unified School District	100.	55,951,304	
South San Francisco Unified School District	100.	170,343,972	
Jefferson Union High School District	100.	234,347,639	
San Mateo Union High School District	100.	511,074,086	
Sequoia Union High School District	100.	485,005,000	
Belmont Redwood Shores School District and School Facilities Improvement Districts	100.	120,786,969	
Burlingame School District	100.	119,077,486	
Hillsborough School District	100.	66,966,367	
Jefferson School District	100.	93,410,000	
Menlo Park City School District	100.	127,776,350	
Redwood City School District	100.	135,719,096	
San Carlos School District	100.	115,881,118	
San Mateo-Foster City School District	100.	268,912,849	
Other School Districts	100.	226,991,301	
Cities	100.	49,305,000	
Midpeninsula Open Space District	30.738	28,420,355	
Montara Sanitary District	100.	9,290,000	
Community Facilities Districts	100.	102,285,000	
1915 Act Special Assessment Bonds	100.	11,119,034	
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$3,475,828,002	
 <u>OVERLAPPING GENERAL FUND DEBT:</u>			
SAN MATEO COUNTY GENERAL FUND OBLIGATIONS	100. %	\$350,275,360	
San Mateo County Board of Education Certificates of Participation	100.	8,745,000	
San Mateo County Flood Control District Certificates of Participation	100.	16,815,000	
Other Unified School District General Fund Obligations	100.	12,743,490	
City of Burlingame General Fund and Pension Obligation Bonds	100.	21,075,000	
City of Daly City Pension Obligation Bonds	100.	20,520,000	
City of Pacifica General Fund and Pension Obligation Bonds	100.	24,715,000	
City of San Mateo General Fund Obligations	100.	30,835,000	
Other City General Fund Obligations	100.	41,093,490	
Midpeninsula Regional Open Space General Fund Obligations	30.738	36,101,965	
Highlands Recreation District General Fund Obligations	100.	2,549,000	
Menlo Park Fire Protection District Certificates of Participation	100.	10,205,000	
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		\$575,673,305	
Less: City of Burlingame supported obligations		19,619,100	
Highlands Recreation District supported obligations		1,988,220	
TOTAL NET OVERLAPPING GENERAL FUND DEBT		\$554,065,985	
 <u>OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):</u>		 \$170,117,792	
 GROSS COMBINED TOTAL DEBT		 \$4,221,619,099	(2)
NET COMBINED TOTAL DEBT		\$4,200,011,779	
 <u>Ratios to 2018-19 Assessed Valuation:</u>			
Direct Debt (\$543,165,076)	0.24%		
Total Direct and Overlapping Tax and Assessment Debt.....	1.56%		
Gross Combined Total Debt	1.89%		
Net Combined Total Debt	1.88%		
 <u>Ratio to Redevelopment Incremental Valuation (\$21,636,963,765):</u>			
Total Overlapping Tax Increment Debt	0.79%		

(1) Excludes Bonds to be sold.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

TAX MATTERS

The Series B Bonds[, the 2019 Forward Delivery Refunding Bonds] and the 2018 Refunding Bonds are referred to in this section as the “**Tax-Exempt Bonds.**”

Federal Tax Status - Tax-Exempt Bonds

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the Tax-Exempt Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax, although, in the case of tax years beginning prior to January 1, 2018, for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest earned by a corporation prior to the end of its tax year in 2018 is taken into account in determining certain income and earnings.

The opinions set forth in the preceding paragraph are subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended (the “**Tax Code**”) relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Tax-Exempt Bonds. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Tax-Exempt Bonds.

Tax Treatment of Original Issue Discount and Premium

If the initial offering price to the public at which a Tax-Exempt Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes “original issue discount” for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a Tax-Exempt Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes “original issue premium” for purposes of federal income taxes and State of California personal income taxes. *De minimis* original issue discount and original issue premium are disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the Tax-Exempt Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such Tax-Exempt Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Tax-Exempt Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Tax-Exempt Bonds who purchase the Tax-Exempt Bonds after the initial offering of a substantial amount of such maturity. Owners of such Tax-Exempt Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Tax-Exempt Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering, the allowance of a deduction for any loss on a sale or other disposition, and the treatment of accrued original issue discount on such Tax-Exempt Bonds under federal individual alternative minimum taxes.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Bond (said term being the shorter of the Tax-Exempt Bond's maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the Tax-Exempt Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Tax-Exempt Bond is amortized each year over the term to maturity of the Tax-Exempt Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized Bond premium is not deductible for federal income tax purposes. Owners of premium Tax-Exempt Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such Bonds.

California Tax Status

In the further opinion of Bond Counsel, interest on the Tax-Exempt Bonds [and the Taxable Refunding Bonds] is exempt from California personal income taxes.

Other Tax Considerations

Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest on the Tax-Exempt Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the Tax-Exempt Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to bonds issued prior to enactment.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Bond Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest on the Tax-Exempt Bonds, or as to the consequences of owning or receiving interest on the Tax-Exempt Bonds, as of any future date. Prospective purchasers of the Tax-Exempt Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Owners of the Tax-Exempt Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the Tax-Exempt Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the Tax-Exempt Bonds, the ownership, sale or disposition of the Tax-Exempt Bonds, or the amount, accrual or receipt of interest on the Tax-Exempt Bonds.

Form of Opinion

The proposed forms of opinion of Bond Counsel with respect to the Series B Bonds, the 2018 Refunding Bonds and the [Taxable][2019 Forward Delivery] Refunding Bonds are attached to this Official Statement as APPENDIX C.

CONTINUING DISCLOSURE

The District will covenant for the benefit of owners of the Bonds to provide certain financial information and operating data relating to the District by not later than March 31 after the end of each fiscal year (currently June 30), commencing with the report for the 2017-18 fiscal year (the “**Annual Report**”), and to provide notices of the occurrence of certain enumerated events. The specific nature of the information to be contained in the Annual Report or the notices of enumerated events is provided in “APPENDIX D - FORM OF CONTINUING DISCLOSURE CERTIFICATE”. These covenants have been made in order to assist the Underwriter (as defined below) in complying with Rule 15c2-12(b)(5) under the Securities Exchange Act of 1934, as amended.

Within the past five years, the annual report for fiscal year 2012-13 was not properly linked on EMMA to the District’s 2012 General Obligation Refunding Bonds (the “**2012 Refunding Bonds**”). In every instance, the District did not include information regarding assessed valuation of taxable properties in the District or total secured tax charges and delinquencies on taxable properties in the District in its annual reports, as such information was not provided by the County.

Subsequently, in connection with the issuance of the Prior Bonds, the District represented in the Official Statement that all of such missing information and rating changes had been filed on EMMA and that the District was then currently in compliance with its continuing disclosure undertakings. However, in connection with the Official Statement for the Prior Bonds, the District determined that the missing information and rating changes had not in fact been filed on EMMA.

Since the publication of the Official Statement for the Prior Bonds, the District filed on EMMA its Annual Report for fiscal year 2013-14 on February 1, 2015, but failed to link it to the District’s 2012 General Obligation Refunding Bonds and its 2014 General Obligation Refunding Bonds, the District failed to timely file a notice of a rating upgrade by S&P of the District’s underlying rating in August 2014 and failed to link the notice on EMMA to the 2012 Refunding Bonds.

Prior to the posting of the Official Statement for the 2014 Refunding Bonds, the District made all required remedial posting filings with the assistance of an outside consultant, BLX Group, and the District is currently in compliance with its continuing disclosure undertakings. The District also engaged BLX Group to train District staff about the District’s ongoing continuing disclosure obligations and expects to comply in all material respects with its continuing disclosure undertakings in the future.

ABSENCE OF MATERIAL LITIGATION

No litigation is pending or threatened concerning the validity of the Bonds, and a certificate to that effect will be furnished to the purchasers at the time of the original delivery of the Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the District's ability to receive *ad valorem* taxes or collect other revenues or contesting the District's ability to issue and repay the Bonds.

RATINGS

Upon issuance of the Bonds, Moody's Investors Service, Inc. ("**Moody's**"), and Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business ("**S&P**"), will assign the Bonds the ratings of "___" and "___," respectively.

The District has furnished to the rating agencies information and material that have not been included in this Official Statement. Generally, rating agencies base their ratings on information and material so furnished and on investigations, studies and assumptions made by the rating agencies. The ratings reflect only the view of the rating agencies, and an explanation of the significance of the ratings may be obtained from the rating agencies at the following addresses: S&P, 55 Water Street, New York, New York 10041 and Moody's Investors Service, 250 Greenwich Street, New York, New York 10007.

There is no assurance that any rating will continue for a given period of time or that it will not be revised downward or withdrawn entirely if, in the judgment of the assigning rating agency, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

VERIFICATION OF MATHEMATICAL ACCURACY

Upon delivery of the Refunding Bonds, the Verification Agent will deliver a report on the mathematical accuracy of certain computations provided to it on behalf of the District relating to the sufficiency of the amounts deposited in the Escrow Fund (together with interest earnings) to pay, when due, the principal (whether at maturity or upon prior redemption) interest and redemption premium requirements of the Prior Bonds being refunded. See "THE FINANCING PLAN – Refunding Bonds."

UNDERWRITING

Series B Bonds. Morgan Stanley & Co. LLC (the "**Underwriter**") has agreed in a bond purchase contract to purchase the Series B Bonds at an aggregate purchase price of \$_____ (consisting of the par amount of \$_____, plus original issue premium of \$_____, less an underwriter's discount of \$_____).

2018 Refunding Bonds. The Underwriter has agreed in a bond purchase contract to purchase the Refunding Bonds at an aggregate purchase price of \$_____ (consisting of the par amount of \$_____, plus original issue premium of \$_____, less an underwriter's discount of \$_____).

[Taxable][2019 Forward Delivery] Refunding Bonds. The Underwriter has agreed in a bond purchase contract to purchase the [Taxable][2019 Forward Delivery] Refunding Bonds at an aggregate purchase price of \$_____ (consisting of the par amount of \$_____, plus original issue premium of \$_____, less an underwriter's discount of \$_____).

The Underwriter intends to offer the Bonds to the public at the offering prices set forth on the inside cover page of this Official Statement. The Underwriter may offer and sell Bonds to certain dealers and others at a price lower than the offering prices stated on the inside cover page of this Official Statement. The offering price may be changed from time to time by the Underwriter.

The Underwriter has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, the Underwriter may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, the Underwriter may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Bonds.

EXECUTION

The execution and delivery of this Official Statement has been approved by the Board of Trustees of the District.

**SAN MATEO COUNTY COMMUNITY COLLEGE
DISTRICT**

By: _____
Chancellor

APPENDIX A

FINANCIAL, ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT AND SAN MATEO COUNTY

GENERAL DISTRICT INFORMATION

The information in this Appendix concerning the operations of the District and the District's general fund finances is provided as supplementary information only, and it should not be inferred from the inclusion of this information that the principal of and interest on the Bonds is payable from the general fund of the District. The Bonds are payable from the proceeds of an ad valorem tax required to be levied by the County in an amount sufficient for the payment of the interest on and principal of the Bonds. See "SECURITY FOR THE BONDS" above.

General Information

The District provides community college educational services primarily to residents of the County of San Mateo, California, located between San Francisco and Silicon Valley. The District was established in 1922 and operates three colleges: College of San Mateo, Cañada College, and Skyline College. Combined, the three colleges of the District serve over 38,000 students annually and offer the first two years of college-level instruction in a wide variety of transfer programs as well as more than 120 career and technical education programs. Students can earn either Associate in Arts or Science degrees or receive Certificates of Proficiency in their chosen fields. In addition, Skyline College offers one of only fifteen baccalaureate programs in the California community college system, where students can earn a Bachelor of Science in Respiratory Care. Distance education courses are available at all three colleges, as well as courses and programs serving concurrently enrolled students. Noncredit, short courses are offered for a fee through the Community Education Program. The District also operates a public radio station, KCSM-FM. Each college is fully accredited by the Western Association of Schools and Colleges, the recognized local accrediting agency for the western United States that is affiliated with the Federation of Regional Accrediting Commissions of Higher Education.

Governance

The District is governed by a six-member board of trustees ("**Board of Trustees**"), with five voting members serving four-year terms and one nonvoting student member elected by students for a one-year term. Beginning with the November 6, 2018 election, the voting members of the Board of Trustees will no longer be elected at large, but instead will be elected by district. The day-to-day operations of the District are managed by the board-appointed Chancellor. Ron Galatolo has served in this position since May 2001.

Current members of the Board of Trustees, together with their respective offices and the date their respective terms expire, are listed below:

<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
Richard Holober	President	December 2018
Maurice Goodman	Vice President	December 2020
Dave Mandelkern	Trustee	December 2020
Thomas Mohr	Trustee	December 2018
Karen Schwarz	Trustee	December 2020
_____	Student Trustee	

Employee Relations

The District is a party to three collective bargaining agreements, one with each of its units: American Federation of Teachers (“**AFT**”); American Federation of State, County and Municipal Employees (“**AFSCME**”); and California School Employees Association (“**CSEA**”). The District also has 223 employees who are not represented by any bargaining units.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
BARGAINING ORGANIZATIONS AND CONTRACT DATES**

<u>Employee Organization/ Bargaining Unit</u>	<u>Number of Budgeted Positions</u>	<u>Contract Termination Date</u>
AFT	357 full-time 550 part-time	June 30, 2019
AFSCME	95	June 30, 2019
CSEA	415	June 30, 2019

Source: San Mateo County Community College District.

DISTRICT FINANCIAL INFORMATION

Funding of Community College Districts in California

Major Revenues. California community college districts (other than Basic Aid, or community-supported districts, as described below) receive, on average, approximately 52% of their funds from the State, approximately 44% from local sources, and approximately 4% from federal sources. State funds include general apportionment, categorical funds, capital construction, the lottery, and other minor sources. Local sources include property taxes, student fees, and miscellaneous sources.

Prior Funding Formula – SB 361. From 2006-07 to 2017-18, California community college districts were funded pursuant to the provisions of Senate Bill 361 (“**SB 361**”). Under SB 361, general apportionment revenues to community college districts were allocated based on criteria developed by the Board of Governors of the California Community Colleges in accordance with prescribed statewide minimum requirements. Annual allocations were based on the number of colleges and comprehensive centers in each district, plus funding received based on the number of credit and noncredit full time equivalent students (“**FTES**”) in each district.

Under SB 361, minimum funding per FTES was: (a) not less than \$4,367 per credit FTES; (b) a uniform rate of \$2,626 per noncredit FTES; and (c) \$3,092 per FTES for the instructional category known as “career development and college preparation,” all subject to cost of living adjustments.

Local revenues, consisting of local property taxes and student enrollment fees, were first used to satisfy a community college district’s expenditures. Once these sources were exhausted, State funds were used to determine a district’s revenue limit under SB 361.

New Student-Focused Funding Formula. The 2018-19 State Budget, signed by the Governor on June 27, 2018, created a new Student-Focused Funding Formula for general purpose apportionments, which will be implemented over the next three years. The new formula allocates funding to community college districts based upon FTES, as well as additional factors. The three calculations in the formula are:

- (1) a **base allocation** consistent with the SB 361 formula described above;
- (2) a **supplemental allocation** based on the number of students who receive a California Promise Grant, Pell Grant or are AB 540 students; and
- (3) a **student success allocation** which will allocate funds for outcomes related to completion of associate degree transfers, associate degrees and bachelor’s degrees, credit certificates, completion of transfer-level math and English within the first academic year of enrollment, transfer to four-year universities, completion of nine or more career technical education units and attainment of a regional living wage.

Formula Structure and Transition. The table below illustrates how community college district funding will be allocated over the next three years:

	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
Base Allocation	70%	65%	60%
Supplemental Allocation	20	20	20
Student Success Allocation	10	15	20

Hold Harmless Provision. During the three years of implementation, no community college district will receive less funding than it received in 2017-18, and each district will receive an increase to reflect a cost-of-living adjustment. The formula includes a “stability” provision that delays any decrease in revenue by one year.

Advisory Committees. Two advisory committees will be established reporting to the Chancellor’s Office and the Legislature.

See “– 2018-19 Adopted State Budget,” below.

Effect of Student-Focused Funding Formula on the District. The new funding formula does not impact the District for general fund apportionment because the District is community-supported, as described below. However, categorical funding allocations may be appropriated using the new funding formula.

Community-Supported District. The District obtained the status of being community-supported in fiscal year 2011-12. Formerly known as “Basic Aid,” a community-supported community college district is one whose local property tax and student enrollment fee collections exceed the revenue allocation determined by the program-based model. As a community-supported district, the District does not receive any funds from the State appropriation, however, it does receive funds from the State for categorical and grant programs restricted to a special population or for certain purposes such as disabled students or instructional equipment, as well as unrestricted State aid for financial aid administration and part-time faculty costs. Under the SB 361 formula and the new Student-Focused Funding Formula, districts are allowed to keep the excess funds without penalty. The implication for community-supported districts is that the legislatively determined annual cost of living adjustment and other politically determined factors are less significant in determining such districts’ primary funding sources. Rather, property tax growth and the local economy become the determinant factors. The District has been a community-supported district since fiscal year 2011-12 and due to projected increases in assessed valuation, the District anticipates that it will remain a community-supported district for fiscal year 2018-19 and the foreseeable future.

Historical Revenue Sources. Set forth below is a table showing historical revenue sources.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
REVENUE SOURCES**

**Percentage of Total
General Fund Revenues**

<u>Revenue Source</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18⁽¹⁾</u>	<u>2018-19⁽²⁾</u>
Federal Revenue	2.78%	2.85%	2.60%	2.74%	3.29%	2.94%
State Revenue ⁽³⁾	9.95	10.02	18.55	14.90	14.28	14.57
Local Revenue	85.95	83.90	76.77	79.99	80.57	81.30
Other	<u>1.32</u>	<u>3.23</u>	<u>2.08</u>	<u>2.37</u>	<u>1.87</u>	<u>1.20</u>
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

(1) Based on unaudited actuals.

(2) Budgeted.

(3) The District has been a community-supported district since 2011-12. State Revenue primarily reflects receipt of State categorical and grant program funds. See “Funding of Community College Districts in California – Major Revenues” above.

Source: *San Mateo County Community College District.*

Accounting Practices

The accounting policies of the District conform to generally accepted accounting principles in accordance with policies and procedures of the California Community Colleges Budget and Accounting Manual. Revenues are recognized in the period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the period in which the liability is incurred.

The financial resources of the District are divided into separate funds for which separate accounts are maintained for recording cash, other resources and all related liabilities, obligations and equities. The major fund classification is the general fund, which accounts for all financial resources not required to be accounted for in another fund. The District's fiscal year begins on July 1 and ends on June 30. All governmental funds and fiduciary funds are maintained on the

modified accrual basis of accounting, and so revenues are recognized when they become susceptible to accrual (that is, both measurable and available to finance expenditures for the current period). For more information on the District's accounting method, see Note 2, Section B of "APPENDIX B – FISCAL YEAR 2016-17 AUDITED FINANCIAL STATEMENTS" attached hereto.

The Governmental Accounting Standards Board ("**GASB**") published its Statement No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments" on June 30, 1999. GASB No. 34 provides guidelines to auditors, state and local governments and special purpose governments such as school districts and public utilities, on new requirements for financial reporting for all governmental agencies in the United States. Generally, the basic financial statements and required supplementary information should include (i) Management's Discussion and Analysis; (ii) financial statements prepared using the economic measurement focus and the accrual basis of accounting; (iii) fund financial statements prepared using the current financial resources measurement focus and the modified accrual method of accounting; and (iv) required supplementary information.

The District's Audited Financial Statements for fiscal year 2016-17 were prepared by Crowe Horwath LLP, Sacramento, California and are attached as APPENDIX B. Audited financial statements for the District for prior fiscal years are on file with the District and available for public inspection at the Chancellor's Office.

The District considers its audited financial statements to be public information, and accordingly, no consent has been sought or obtained from the auditor in connection with the inclusion of such statements in this Official Statement. The auditor has made no representation in connection with inclusion of the audit in this Official Statement.

Revenues, Expenditures and Changes in Fund Equity

The following table sets forth the District's revenues, expenses and change in net assets for fiscal years 2012-13 through 2016-17 (as shown in the District's audited financial statements). For fiscal year 2017-18, see the table below under "– District Budget."

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
Summary of General Fund Revenues, Expenditures and Changes in Net Assets
For Fiscal Years 2012-13 through 2016-17 (Audited)

	2012-13	2013-14	2014-15	2015-16	2016-17
Operating Revenues					
Student Tuition and Fees	\$26,372,479	\$27,149,929	\$29,027,025	\$29,828,744	\$31,406,255
Less: Fee waivers and allowances	(10,794,843)	(11,555,108)	(10,993,149)	(10,824,236)	(8,944,240)
Less: Bad debt	(791,217)	(466,483)	(454,304)	-	-
Net tuition and fees	14,786,419	15,128,338	17,579,572	19,544,508	22,462,015
Auxiliary Enterprise Sales and Charges:					
Bookstore	3,229,619	3,246,113	3,517,342	4,591,300	4,410,595
Cafeteria	227,745	314,286	296,922	336,175	385,068
Fitness Center	3,545,269	4,234,859	4,348,781	4,800,053	5,078,171
Internal Service Sales and Charges	916,587	956,991	1,011,977	1,692,234	1,758,382
Total Operating Revenues	22,705,639	23,880,587	26,754,594	30,964,270	34,094,231
Operating Expenses					
Salaries	92,003,826	98,860,058	103,507,028	113,132,972	110,023,343
Employee benefits	37,376,039	33,755,593	40,621,198	42,594,779	55,857,693
Supplies, materials and other operating expenses and services	30,008,587	32,457,261	33,949,551	30,845,988	35,850,214
Equipment, maintenance and repairs	1,117,105	2,049,761	882,078	-	-
Student financial aid	23,112,911	22,428,448	21,502,146	20,630,274	18,960,228
Depreciation	27,594,568	25,689,851	25,797,686	26,467,808	27,103,655
Total Operating Expenses	211,213,036	215,240,972	226,259,687	233,671,821	247,795,133
Operating Loss	(188,507,397)	(191,360,385)	(199,505,093)	(202,707,551)	(213,700,902)
Non-Operating Revenues (Expenses)					
State apportionments, non-capital	932,292	938,181	1,005,977	2,329,774	-
Local property taxes, levied for general purposes	103,864,700	108,803,544	115,921,158	125,380,078	135,522,657
Local property taxes; levied for special purposes	28,977,091	31,262,943	32,628,127	47,018,246	50,927,754
Parcel tax	6,986,474	7,080,146	493	-	-
Federal grants	26,669,123	25,021,878	24,464,140	22,508,197	21,113,583
State grants	9,521,575	13,399,657	14,033,414	18,467,175	27,032,584
Local grants	2,425,034	2,895,554	2,852,016	2,549,134	2,173,654
State taxes and other revenues	3,536,258	3,027,935	3,497,496	16,418,179	6,145,166
Investment income (loss), net	2,539,589	10,125,576	2,270,458	4,067,778	1,803,542
Interest expense on capital related debt	(22,085,926)	(25,292,690)	(28,708,402)	-	-
Interest income on capital asset-related debt, net	203,812	415,740	167,984	(37,500,583)	(33,704,897)
Loss on disposal of asset	-	-	-	(86,245)	(81,742)
Other non-operating revenues (expenses)	333,118	4,802,418	2,211,874	18,916,491	7,714,319
Total Non-Operating Revenues (Expenses)	163,903,140	182,480,882	170,244,734	220,068,224	218,646,620
Income Before Capital Contributions	(24,604,257)	(8,879,503)	(29,260,359)	17,360,673	4,945,718
Capital Contributions					
State revenues, capital	1,465,128	5,020,579	3,028,447	2,843,825	3,460,920
Local revenues, capital	2,533,773	461,014	688,710	342,245	1,003,735
Total Capital Contributions	3,998,901	5,481,593	3,717,157	3,186,070	4,464,655
Change in Net Position	(20,605,356)	(3,397,910)	(25,543,202)	20,546,743	9,410,373
Net Position, Beginning Of Year, Restated⁽¹⁾⁽²⁾⁽³⁾	149,090,262	123,299,556	(692,144)	21,631,031	(50,830,598)
Net Position, End of Year	\$124,484,906	\$119,901,646	\$(26,235,346)	\$42,177,774	\$(41,420,225)

(1) For the year ended June 30, 2015, the District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. Since GASB 68 requires retroactive application, beginning net position is reduced by the net pension liability offset by the related deferred outflow of resources as of June 30, 2014. As a result, for the year ended June 30, 2015, the beginning net position decreased by \$120,593,790 as the cumulative effect of a change in accounting principles.

(2) For the year ended June 30, 2016, the July 1, 2015 net position was restated to correct an error for the understatement of the net OPEB asset. The correction increased the July 1, 2015 beginning net position by \$47,866,377. Additionally, for the year ended June 30, 2015, the change in net position would have increased \$12,126,178 if the OPEB asset were recorded in the financial statements. See "– Post-Employment Benefits Other than Pension Benefits," below.

(3) For the year ended June 30, 2017, the District implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. GASB 75 encouraged retroactive application. As a result, the July 1, 2016 net position was restated, decreasing net position by \$93,008,372 due to the recognition of the net OPEB liability. See "Management's Discussion and Analysis - Other Postemployment Benefits" in the District's FY 2016-17 Audited Financial Statements.

Source: San Mateo County Community College District.

[Discuss whether to revise table in order to show that the District is not in a negative net position]

District Budget

The District is required by provisions of the State Education Code to maintain a balanced budget each year, where the sum of expenditures plus the ending fund balance cannot exceed revenues plus the carry-over fund balance from the previous year. The Board of Governors of the California Community Colleges imposes a uniform budgeting format for all California community college districts.

Under current law, the District Board of Trustees approves a tentative budget by July 1 and an adopted budget by September 15 of each fiscal year.

The presentation of the District's audits as summarized in the previous section is used only for District's external audit. The District manages its funds in a different format, including with respect to its budgets and unaudited actuals. The following table shows the District's adopted general fund budgets for fiscal years 2013-14 through 2018-19 and unaudited actuals for fiscal years 2013-14 through 2017-18.

**SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
COMBINED UNRESTRICTED & RESTRICTED GENERAL FUND
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEARS 2013-14 THROUGH 2017-18 (BUDGETED AND UNAUDITED ACTUAL FIGURES)
FISCAL YEAR 2018-19 (BUDGETED)**

	2013-14 Adopted Budget	2013-14 Unaudited Actuals	2014-15 Adopted Budget	2014-15 Unaudited Actuals	2015-16 Adopted Budget	2015-16 Unaudited Actuals	2016-17 Adopted Budget	2016-17 Unaudited Actuals	2017-18 Adopted Budget	2017-18 Unaudited Actuals	2018-19 Adopted Budget
Beginning Balance	\$33,603,053	\$33,603,051	\$35,060,530	\$35,060,530	\$37,374,143	\$37,374,143	\$47,242,446	\$47,242,446	\$47,559,305	\$47,559,305	\$48,326,717
Revenues											
Federal Revenue	6,137,566	4,284,623	6,236,909	4,853,407	7,639,530	5,149,883	8,524,064	5,639,607	13,157,978	7,232,015	7,008,888
State Revenue	17,331,336	16,050,670	16,950,315	17,075,032	34,863,628	36,775,735	29,705,705	30,645,852	33,072,796	31,384,847	34,780,704
Local Revenue	<u>13,088,273</u>	<u>135,444,723</u>	<u>136,043,847</u>	<u>142,944,599</u>	<u>148,553,483</u>	<u>152,220,782</u>	<u>161,780,139</u>	<u>164,548,917</u>	<u>177,693,439</u>	<u>177,116,305</u>	194,091,854
Total Revenues	153,557,175	155,780,016	159,231,071	164,873,038	191,056,641	194,146,400	200,009,908	200,834,376	223,924,213	215,733,167	235,881,446
Expenditures											
Certificated Salaries	55,661,279	52,684,285	58,670,471	57,261,878	64,466,576	62,111,694	74,822,637	66,167,086	78,048,192	68,264,581	78,960,349
Classified Salaries	37,540,942	37,574,301	41,164,615	39,541,595	46,201,258	42,751,398	48,151,050	47,635,845	53,530,644	51,223,155	57,030,637
Employee Benefits	34,245,807	30,074,352	39,239,642	35,566,384	42,685,084	41,864,361	42,673,189	47,035,511	49,959,073	51,070,301	55,193,367
Supplies & Materials	11,772,544	3,523,569	11,124,386	3,756,316	10,159,867	4,086,537	9,559,037	4,266,443	10,665,115	3,949,096	8,852,800
Operating Expenses	25,614,219	14,827,595	19,317,669	15,014,905	34,355,159	16,853,686	36,639,309	18,488,564	38,364,595	21,372,411	35,961,306
Capital Outlay	<u>367,486</u>	<u>560,238</u>	<u>167,251</u>	<u>331,392</u>	<u>379,725</u>	<u>1,009,222</u>	<u>413,460</u>	<u>1,202,190</u>	<u>1,010,983</u>	<u>1,557,959</u>	510,299
Total Expenditures	165,202,277	139,244,340	169,684,034	151,472,470	198,247,669	168,676,898	212,258,682	184,695,639	231,578,602	197,437,501	236,508,758
Transfers & Other											
Transfers in	1,743,579	6,295,972	2,145,944	5,503,688	1,844,990	4,128,483	3,619,761	4,879,471	3,132,586	4,107,296	2,867,689
Other sources	-	-	-	-	-	-	-	-	-	50,670	-
Transfers out	(3,833,349)	(20,850,907)	(2,515,561)	(15,972,983)	(2,243,234)	(19,005,371)	(5,075,819)	(19,985,223)	(4,683,407)	(20,402,947)	(4,634,552)
Contingency	1,045,717	-	-	-	-	-	-	-	(83,627)	-	(83,627)
Other outgo	<u>(734,047)</u>	<u>(523,263)</u>	<u>(723,257)</u>	<u>(617,662)</u>	<u>(1,090,117)</u>	<u>(724,312)</u>	<u>(1,170,828)</u>	<u>(716,126)</u>	<u>(1,795,706)</u>	<u>(1,283,272)</u>	<u>(2,142,537)</u>
Total Transfers & Other	(1,778,100)	(15,078,198)	(1,092,874)	(11,086,957)	(1,488,361)	(15,601,200)	(2,626,886)	(15,821,878)	(3,430,154)	(17,528,253)	3,993,027
Net Change in Fund Balance	(13,423,202)	1,457,475	(11,545,838)	2,313,613	(8,679,391)	9,868,302	(14,875,660)	3,077,473	(11,084,544)	767,413	(4,620,339)
Ending Balance	\$20,179,852	\$35,060,528	\$23,514,692	\$37,374,143	\$28,694,753	\$47,242,446	\$16,156,491	\$47,559,305	\$36,474,762	\$48,326,717	\$43,706,378

Fiscal Year 2018-19 Budget. The Board of Trustees adopted the 2018-19 budget on September 12, 2018. The 2018-19 budget assumes that the District will continue to be a community-supported district. Additionally, the District expects to receive State categorical funds totaling approximately \$18.5 million for the Student Equity Access Program and \$3.5 million for DSPS/EOPS/Foster Care, \$2.1 million for Strong Workforce and \$400,000 for Scheduled Maintenance and Instructional Equipment. The District has budgeted approximately \$1.49 million of State allocation from the EPA established pursuant to Propositions 30 and 55. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS - Proposition 30 and Proposition 55.”

General Fund Reserves. In fiscal year 2018-19, the District achieved the goal of setting aside reserves which represent 15% of the District’s unrestricted general fund expenditures. The District intends to maintain this level of reserves for emergencies.

International Students. The District has focused on several initiatives to increase the enrollment of international students. In fiscal year 2017-18, international student enrollment totaled nearly 1,200 and revenues generated by international students increased by 17% over the previous fiscal year. Since the District is community-supported, there is no enrollment cap and no local students are denied access to the colleges because of increased international student enrollment.

District Debt

Payment History. The District has never defaulted on the payment of principal or interest on any of its indebtedness.

Short-Term Borrowing. The District has no outstanding tax and revenue anticipation notes.

Long-Term Borrowing. As described below the District has seven series of general obligation bonds outstanding, aside from the Bonds. These bonds are payable solely from the proceeds of *ad valorem* taxes levied for the purpose of paying the bonds and are not payable from the general fund of the District.

In June 2002, the District issued its 2002 General Obligation Bonds (Election of 2001), Series A, in the amount of \$96,875,612.95. These bonds include both current interest bonds and capital appreciation bonds. As of September 1, 2018, the outstanding principal amount (not including accreted interest) was \$13,095,542.95.

In February 2005, the District issued its 2005 General Obligation Bonds (Election of 2001), Series B, in the amount of \$69,995,612.40. These bonds include both current interest bonds and capital appreciation bonds. As of the Closing Date, the outstanding principal amount (not including accreted interest) was \$23,095,132.40.

In April 2006, the District issued its 2006 General Obligation Bonds (Election of 2001), Series C, in the amount of \$40,124,660.45. These bonds include both current interest bonds and capital appreciation bonds. As of September 1, 2018, the outstanding principal amount (not including accreted interest) was \$22,908,475.15.

In April 2006, the District issued its 2006 General Obligation Bonds (Election of 2005), Series A, in the amount of \$135,429,394.60. These bonds include both current interest bonds and capital appreciation bonds. As of September 1, 2018, the outstanding principal amount (not including accreted interest) was \$54,115,733.55.

In December 2006, the District issued its 2006 General Obligation Bonds (Election of 2005), Series B, in the amount of \$332,570,193.75. These bonds included both current interest bonds and capital appreciation bonds. As of September 1, 2018, the outstanding principal amount (not including accreted interest) is \$163,005,193.75.

In June 2012, the District refunded a portion of its outstanding general obligation bonds from proceeds of its 2012 General Obligation Refunding Bonds in the amount of \$107,595,000. As of September 1, 2018, the outstanding principal amount was \$59,420,000.

In October 2014, the District refunded a portion of its outstanding general obligation bonds from proceeds of its 2014 General Obligation Refunding Bonds in the amount of \$121,805,000. As of September 1, 2018, the outstanding principal amount was \$117,925,000. A portion of the 2014 Refunding Bonds are expected to be refunded with proceeds of the Refunding Bonds.

In June 2015, the District issued its 2015 General Obligation Bonds (Election of 2014), Series A, in the amount of \$127,000,000. As of September 1, 2018, the outstanding principal amount was \$89,600,000.

Pension Plans

California State Teacher's Retirement System. For the benefit of faculty and some administrators, the District participates in the California State Teacher's Retirement System ("STRS"), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. As a result of the Public Employee Pension Reform Act of 2013 ("PEPRA") (see "Pension Reform Act of 2013 (Assembly Bill 340)" below), changes were made to the defined benefit pension plan beginning January 1, 2013.

Due to the implementation of PEPRA, new members of the plan must pay at least 50% of the normal cost of the plan, which can fluctuate from year to year. For 2013-14 the required rate was 8% of their salary. Existing plan members are also required to contribute 8.0% of their salary. The District is required to contribute a legislatively determined rate. The required employer contribution rate for fiscal year 2013-14 was 8.25% of annual payroll. The District's contributions to STRS for the past three and current projected fiscal years are set forth in the following table.

Implementation of GASB Nos. 68 and 71. Commencing with fiscal year ended June 30, 2015, the District implemented the provisions of GASB Statement No. 68, as amended by GASB Statement No. 71, which imposes certain new pension accounting and financial reporting requirements in the notes to its audited financial statements commencing with financial statements for fiscal years ending after June 30, 2014. Statement No. 68, as amended, generally requires the District to recognize its proportionate share of the unfunded pension obligation for STRS and PERS by recognizing a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. As a result of the implementation of GASB Statement Nos. 68 and 71, the District was required to restate its beginning net position as of July 1, 2014.

The District's contributions to STRS since fiscal year 2011-12 are set forth in the following table.

**STRS Contributions
San Mateo County Community College District**

Fiscal Year	Amount
2011-12	\$3,185,617
2012-13	3,292,883
2013-14	3,469,338
2014-15	4,311,554
2015-16	4,900,874
2016-17	6,005,598
2017-18	7,433,405
2018-19*	8,439,271

*Budgeted.

Source: San Mateo County Community College District.

Historically, employee, employer and State contribution rates did not vary annually to account for funding shortfalls or surpluses in the STRS plan. In recent years, the combination of investment earnings and statutory contributions were not sufficient to pay actuarially required amounts. As a result, as of June 30, 2016 (the date of the last actuarial valuation) the STRS defined benefit program showed an estimated unfunded actuarial liability of approximately \$96.7 billion (on an actuarial value of assets basis) and \$177.9 billion (on a market value of assets basis). In connection with the State's adoption of its fiscal year 2014-15 Budget, the Governor signed into law Assembly Bill 1469 ("**AB 1469**"), which seeks to fully fund the unfunded actuarial obligation with respect to service credited to members of the STRS Defined Benefit Program before July 1, 2014, within 32 years, by increasing member, K-14 school district and State contributions to STRS. AB 1469 addressed the funding gap by increasing contributions by employees, employers and the State. In particular, employer contribution rates are scheduled to increase through at least fiscal year 2020-21, from a contribution rate of 8.25% in fiscal year 2013-14 to 19.1% in fiscal year 2020-21. Thereafter, employer contribution rates will be determined by the STRS board to reflect the contribution required to eliminate unfunded liabilities by June 30, 2046.

On February 1, 2017, the STRS Teacher's Retirement Board adopted a new set of actuarial assumptions that reflect member's increasing life expectancies and current economic trends. These new assumptions were first reflected in most recent actuarial valuation, and include, but are not limited to: (i) adopting a generational mortality methodology to reflect past improvements in life expectancies and provide a more dynamic assessment of future life spans, (ii) decreasing the investment rate of return (net of investment and administrative expenses) to 7.25% for the 2016 valuation and 7.00% for the June 30, 2017 actuarial evaluation, and (iii) decreasing the projected wage growth to 3.50% and the projected inflation rate to 2.75%. Based on these changes, recent investment experience and the insufficiency of the contributions received in fiscal year 2015-16 to cover interest on the unfunded actuarial obligation, the 2016 actuarial valuation reports that the unfunded actuarial obligation increased by \$20.5 billion since the last valuation and the funded ratio decreased by 4.8% to 63.7% over such time period. Had the investment rate of return been lowered to 7.00% for the 2016 actuarial valuation, the unfunded actuarial obligation and the funded ratio would have been \$105.1 billion and 61.8%, respectively. As a result, it is currently projected that there will be a need for higher contributions from the State, employers and members in the future to reach full funding by 2046.

The District's employer contribution rates for fiscal years 2014-15, 2015-16 and 2016-17 were 8.88%, 10.73% and 12.58%, respectively. Projected employer contribution rates for districts (including the District) for fiscal year 2017-18 through fiscal year 2020-21 are set forth in the following table.

**PROJECTED EMPLOYER CONTRIBUTION RATES (STRS)
Fiscal Years 2017-18 through 2020-21**

Fiscal Year	Projected Employer Contribution Rate ⁽¹⁾
2017-18	14.43%
2018-19	16.28
2019-20	18.13
2020-21	19.10

(1) Expressed as a percentage of covered payroll.
Source: AB 1469

The District has included the increases in contribution rates in its collective bargaining contracts.

California Public Employees' Retirement System. For all other employees, the District participates in the State of California Public Employees' Retirement System ("**PERS**"), an agent multiple-employer contributory public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Changes have also been made to the PERS plan pursuant to PEPR. New plan members must pay at least 50% of the normal cost of the plan, which can fluctuate from year to year. For fiscal year 2015-16 the normal cost is 11.847%, which rounds to a 6.0% contribution rate. Existing plan members are required to contribute 7.0% of their salary. The District is required to contribute an actuarially determined rate (11.771% for fiscal year 2014-15 and 11.847% for fiscal year 2015-16). One actuarial valuation is performed for those employers participating in the pool, and the same contribution rate applies to each. The District's contributions to PERS since fiscal year 2011-12 are set forth in the following table.

**PERS Contributions
San Mateo County Community College District**

Fiscal Year	Amount
2011-12	\$3,693,915
2012-13	4,035,956
2013-14	4,296,931
2014-15	4,385,384
2015-16	5,252,004
2016-17	6,760,065
2017-18	8,136,654
2018-19*	9,573,352

*Budgeted.
Source: San Mateo County Community College District.

Like the STRS program, the PERS program has experienced an unfunded liability in recent years. The PERS unfunded liability, on a market value of assets basis, was approximately

\$23.6 billion as of June 30, 2017 (the date of the last actuarial valuation). To address this issue, the PERS board has taken a number of actions. In April 2013, for example, the PERS board approved changes to the PERS amortization and smoothing policy intended to reduce volatility in employer contribution rates. In addition, in April 2014, PERS set new contribution rates, reflecting new demographic assumptions and other changes in actuarial assumptions. The new rates and underlying assumptions, which are aimed at eliminating the unfunded liability of PERS in approximately 30 years, will be implemented for school districts beginning in fiscal year 2016-17, with the costs spread over 20 years and the increases phased in over the first five years.

The District's employer contribution rates for fiscal years 2015-16, 2016-17 and 2017-18 were 11.847%, 13.888% and 15.800%, respectively. Projected employer contribution rates for school districts (including the School District) for fiscal year 2017-18 through fiscal year 2021-22 are set forth in the following table.

**PROJECTED EMPLOYER CONTRIBUTION RATES (PERS)
Fiscal Years 2018-19 through 2020-21 ⁽¹⁾**

Fiscal Year	Projected Employer Contribution Rate ⁽²⁾
2018-19	18.062%
2019-20	20.800
2020-21	23.500

(1) As of the June 30, 2017 valuation. The PERS board is expected to approve official employer contribution rates for each fiscal year shown during the immediately preceding fiscal year.

(2) Expressed as a percentage of covered payroll.

Source: PERS

The District has included the increases in contribution rates in its collective bargaining contracts.

Pension Reform Act of 2013 (Assembly Bill 340). On September 12, 2012, Governor Brown signed AB 340, enacting the California Public Employees' Pension Reform Act of 2013 ("PEPRA") and amending various sections of the California Education and Government Codes. AB 340 (i) increased the retirement age for new State, school, and city and local agency employees depending on job function, (ii) capped the annual PERS and STRS pension benefit payouts, (iii) addressed numerous abuses of the system, and (iv) required State, school, and certain city and local agency employees to pay at least half of the costs of their PERS pension benefits. PEPRA applies to all public employers *except* the University of California, charter cities and charter counties (except to the extent they contract with PERS.)

The provisions of AB 340 went into effect on January 1, 2013 with respect to new State, school, and city and local agency employees hired on that date and after; existing employees who are members of employee associations, including employee associations of the District, have a five-year window to negotiate compliance with AB 340 through collective bargaining. If no deal is reached by January 1, 2018, a city, public agency or school district could force employees to pay their half of the costs of PERS pension benefits, up to 8% of pay for civil workers and 11% or 12% for public safety workers.

PERS has predicted that the impact of AB 340 on employees and employers, including the District and other employers in the STRS system, will vary, based on each employer's current level of benefits. To the extent that the new formulas lower retirement benefits, employer

contribution rates could decrease over time as current employees retire and employees subject to the new formulas make up a larger percentage of the workforce. This change would, in some circumstances, result in a lower retirement benefit for employees than they currently earn. Additionally, PERS has noted that changes arising from AB 340 could ultimately have an adverse impact on public sector recruitment in areas that have historically experienced recruitment challenges due to higher pay for similar jobs in the private sector.

With respect to STRS, the provisions of AB 1469 effective as of July 1, 2014 effectively addressed the contribution requirements of STRS members, employers and the State.

More information about AB 340 can be accessed through the PERS's web site at www.calpers.ca.gov/index.jsp?bc=/member/retirement/pension-reform-impacts.xml&pst=ACT&pca=ST and through the STRS web site at http://www.calstrs.com/Newsroom/whats_new/AB340_detailed_impact_analysis.pdf. *The references to these internet websites are shown for reference and convenience only; the information contained within the websites may not be current and has not been reviewed by the District and is not incorporated herein by reference.*

Post-Employment Benefits Other than Pension Benefits

The District provides post-employment healthcare benefits to retirees meeting plan eligibility requirements. Employees qualify for retiree benefits upon meeting the years of District service requirement and the "Magic 75" which is the employee's age plus years of District service, as indicated in their union contracts. Retiree benefit packages differ depending on hire date. As of June 30, 2017, there were 1,663 retirees and beneficiaries currently receiving benefits and 947 active plan members.

The District has created two trust funds for post-employment benefits: an Investment Trust (irrevocable trust) and a Reserve Fund (which is not irrevocable for this purpose). As of June 30, 2018, the balance in the Investment Trust was \$114,947,488 and the balance in the Reserve Fund was \$9,000,000. The District has budgeted an additional transfer of \$2.6 million to the Trust Fund in fiscal year 2018-19. As a result, the District's OPEB liability will be fully funded in fiscal year 2018-19.

Implementation of GASB No. 74. In June 2015, GASB issued GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pensions, which replaced GASB Statement No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. GASB No. 74 addresses the financial reports of defined benefit OPEB plans that are administered as trusts that meet specified criteria. The GASB No. 74 follows the framework for financial reporting of defined benefit OPEB plans in GASB Statement No. 45 by requiring a statement of fiduciary net position and a statement of changes in fiduciary net position. The Statement requires more extensive note disclosures and required supplementary information related to the measurement of the OPEB liabilities for which assets have been accumulated, including information about the annual money-weighted rates of return on plan investments.

Joint Powers Arrangements for Insurance

The District participates in joint ventures under joint power agreements with School Excess Liability Fund and San Mateo County School Insurance Group for property, liability, workers' compensation, vision, dental, and excess liability coverage. The relationship between the District and the JPAs is such that the JPAs are not component units of the District for financial reporting purposes.

These joint powers arrangements are described further in “APPENDIX B – Fiscal Year 2016-17 Audited Financial Statements – Note 16.”

State Funding of Education and Recent State Budgets

General. The largest percentage of community college district revenues comes from the State in accordance with the State’s formula for funding community college districts and the Proposition 98 minimum funding guarantee with respect to education appropriations. The following description of the State’s budget has been obtained from publicly available information which the District believes to be reliable; however, none of the District, its counsel or the Financial Advisor guarantees the accuracy or completeness of this information and have not independently verified such information. Additional information regarding State budgets is available at various State-maintained websites, including www.dof.ca.gov and www.lao.ca.gov. These websites are not incorporated herein by reference and none of the District, its counsel, or the Financial Advisor make any representation as to the accuracy of the information provided herein.

The State Budget Process. The State’s fiscal year begins on July 1 and ends on June 30. According to the State Constitution, the Governor is required to propose a budget for the next fiscal year (the “**Governor’s Budget**”) to the State Legislature no later than January 10 of each year. State law requires the Governor to update the Governor’s Budget projections and budgetary proposals by May 14 of each year (the “**May Revision**”). Proposition 25, which was adopted by voters in the State at an election held on November 2, 2010, amended the State Constitution such that a final budget must be adopted by a simple majority vote of each house of the State Legislature by no later than Jun 15 and the Governor must sign the adopted budget by no later than June 30. The budget becomes law upon the signature of the Governor (the “**Budget Act**”).

Under State law, the annual proposed Governor’s Budget cannot provide for projected expenditures in excess of projected revenues and balances available from prior fiscal years. Following the submission of the Governor’s Budget, the State Legislature takes up the proposal. The primary source of the annual expenditure authorizations is the Budget Act, as approved by the State Legislature and signed by the Governor. The Governor may reduce or eliminate specific line items in the Budget Act or any other appropriations bill without vetoing the entire bill. Such individual line-item vetoes are subject to override by a two-thirds majority vote of each House of the State Legislature. Appropriations also may be included in the legislation other than the Budget Act. Bills containing appropriations (except for K-12 school districts and community college districts (collectively, “**K-14 districts**”) must be approved by a two-thirds majority vote in each House of the State Legislature and be signed by the Governor. Bills containing education appropriations for K-14 districts require only a simple majority vote. Continuing appropriations, available without regard for fiscal year, may also be provided by statute or the State Constitution. Funds necessary to meet an appropriation need not be in the State Treasury at the time such appropriation is enacted; revenues may be appropriated in anticipation of their receipt. However, delays in the adoption of a final State budget in any fiscal year may affect payments of State funds during such budget impasse.

Recent State Budgets. Certain information about the State budgeting process and the State Budget is available through several State sources. A convenient source of information is the State’s website, where recent official statements for State bonds are posted. The Internet websites shown below are shown for reference and convenience only. The information contained within these websites may not be current, has not been reviewed by the District and is not incorporated in this Official Statement by reference.

- The California State Treasurer Internet home page at www.treasurer.ca.gov, under the heading “Bond Information,” posts various State of California Official Statements, many of which contain a summary of the current State Budget, past State Budgets, and the impact of those budgets on school districts in the State.

- The California State Treasurer’s Office Internet home page at www.treasurer.ca.gov, under the heading “Financial Information,” posts the State’s audited financial statements. In addition, the Financial Information section includes the State’s Rule 15c2-12 filings for State bond issues. The Financial Information section also includes the Overview of the State Economy and Government, State Finances, State Indebtedness and Litigation from the State’s most current Official Statement, which discusses the State budget and its impact on school districts.

- The California Department of Finance’s Internet home page at www.dof.ca.gov, under the heading “California Budget,” includes the text of proposed and adopted State Budgets.

- The State Legislative Analyst’s Office (the “**LAO**”) prepares analyses of the proposed and adopted State budgets. Those analyses are accessible on the Legislative Analyst’s Internet home page at www.lao.ca.gov under the heading “Subject Area – Budget (State).”

2018-19 Adopted State Budget

On June 27, 2018, the Governor signed the fiscal year 2018-19 State budget (the “**2018-19 State Budget**”) into law. The 2018-19 State Budget calls for total spending of \$199.7 billion, with \$138.6 billion in general fund spending. The 2018-19 State Budget provides for \$78.4 billion of funding through Proposition 98, the primary source of funding for K-12 school districts and community college districts, an increase of \$3.7 billion from the 2017-18 State budget. Of that \$78.4 billion, approximately \$61 billion will be distributed to K-12 school districts through the Local Control Funding Formula (the “**LCFF**”), which will be fully funded during fiscal year 2018-19, two years earlier than originally scheduled, restoring every school district in the State to at least pre-recession funding levels, and including a 2.71% cost of living adjustment and an additional \$570 million above the cost of living adjustment as an ongoing increase to the formula.

The 2018-19 State Budget continues to build State reserves, with the rainy-day fund balance projected to grow to \$13.8 billion by the end of the budget year, its constitutional maximum. Additionally, the 2018-19 State Budget adds two additional reserves to State law, the Budget Deficit Safety Account and the Safety Net Reserve Fund. Other significant features of the 2018-19 State Budget include:

- \$640 million in Proposition 51 State bond authority for school facilities;
- an increase to \$11,640 in State-funded per pupil funding under LCFF, or \$16,352 per pupil from all State, federal and local sources combined;
- one-time funding for K-12 school districts to finance various programs, including \$300 million for the lowest-performing student subgroups, \$125

million to address the shortage of special education teachers, and \$100 million to expand facilities for kindergarten and transitional kindergarten;

- \$57.8 million for county offices of education to support school districts needing additional assistance, as determined based on multiple performance indicators, \$4 million of which will go to geographical regional leads to build system-wide capacity to support school district improvement;
- \$32.8 million to backfill property tax revenue losses that cities, counties and districts incurred in fiscal year 2017-18 and will incur in fiscal year 2018-19 from wildfires, mudslides and other natural disasters, \$21.8 for Northern California jurisdictions and \$11 million for Southern California jurisdictions;
- a hold harmless provision allowing local education agencies to recoup revenue that has been lost due to declines in average daily attendance that are directly associated with these disasters;
- \$185.4 million to multiple state agencies for the first year of implementation of a \$4 billion parks and water bond measure approved by voters in 2018; and
- one-time funding of \$500 million of emergency aid to support local governments in addressing homelessness, to be used for emergency shelters, bridge housing, motel vouchers, and supportive housing.

With respect to community college districts, the 2018-19 State Budget adopts a new Student-Focused Funding Formula for general purpose apportionments to be implemented over the next three years, reflecting the following core components:

- (1) Formula Structure and Transition – In 2018-19, 70% of funding will be distributed based on enrollment, 20% based on enrollment of low-income students and 10% based on student success metrics. In 2019-20, 65% of funding will be distributed based on enrollment, 20% based on enrollment of low-income students and 15% based on student success metrics. In 2020-21, 60% of funding will be based on enrollment, 20% based on enrollment of low-income students and 20% based on student success metrics.
- (2) Hold Harmless Provision – In 2018-19, 2019-20 and 2020-21, no district will receive less funding than it received in 2017-18, and each district will receive an increase to reflect a cost-of-living adjustment. In 2021-22 and future years, districts will receive no less apportionment funding than is currently provided. The funding formula includes stability provisions that provide districts with additional revenue protection by allowing them to receive the greater of their past-year or current-year total revenue.
- (3) Advisory Committee - Corresponding with the implementation of the Student-Focused Funding Formula, an advisory committee will be established to monitor implementation of the funding formula. The 2018-19 State Budget also creates the California Online College. The first three programs are to be developed by July 1, 2019 and enroll students by the last quarter of 2019. The Chancellor's Office has

announced that the first two pathways will be an information technology support credential program and a medical coding credential program.

Disclaimer Regarding State Budgets. The implementation of the foregoing 2018-19 State Budget and future State budgets may be affected by numerous factors, including but not limited to: (i) shifts in costs from the federal government to the State, (ii) national, State and international economic conditions, (iii) litigation risks associated with proposed spending reductions, (iv) rising health care costs and/or other unfunded liabilities, such as pension or OPEB, and (v) numerous other factors, all or any of which could cause the revenue and spending projections included in such budgets to be unattainable. The District cannot predict the impact that the 2018-19 State Budget, or subsequent state budgets, will have on its own finances and operations. However, the Bonds are secured by *ad valorem* taxes levied and collected on taxable property in the District, without limit as to rate or amount, and are not secured by a pledge of revenues of the District or its general fund.

The State has not entered into any contractual commitments with the District, the County, the Underwriter or the owners of the Bonds to provide State budget information to the District or the owners of the Bonds. Although they believe the sources of information listed below are reliable, neither the District nor the Underwriter assumes any responsibility for the accuracy of State budget information set forth or referred to or incorporated in this Official Statement.

Availability of State Budget. The complete 2018-19 State Budget is available from the California Department of Finance website at www.ebudget.ca.gov. An impartial analysis of the budget is published by the Legislative Analyst Office, and is available at www.lao.ca.gov/budget. The District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted on these sites, and such information is not incorporated in this Official Statement by these references. The information referred to above should not be relied upon when making an investment decision with respect to the Bonds.

Uncertainty Regarding Future State Budgets. The District cannot predict what actions will be taken in future years by the State legislature or the Governor to address the State's current or future revenues and expenditures, or possible future budget deficits. Future State budgets will be affected by national and State economic conditions and other factors over which the District has no control. The District cannot predict what impact any future budget proposals will have on the financial condition of the District. To the extent that the State budget process results in reduced revenues to the District, the District will be required to make adjustments to its own budgets.

County Investment Pool

The following information has been furnished by the County for use in this Official Statement. The District and the Underwriter have not verified the accuracy or adequacy of the information provided by the County.

The County Investment Pool (the "Investment Pool" or the "Pool") consists of monies deposited with the County Treasurer by County departments and agencies, school districts and community college districts, certain non-County governmental agencies and special assessment districts. Most of the Pool's depositors, including the District, are required by State law to invest their moneys in the Pool, although surplus proceeds are not required to be invested in the Pool. Approximately 28.9% of the Pool's moneys is allocable to voluntary depositors.

Each depositor is assigned a distinct fund number within the Investment Pool. Cash represented by the fund balances is commingled in a Pooled Cash Portfolio for investment purposes; no funds are segregated for separate investment. Investments are selected from those authorized by California Government Code Section 53635 ("**Code**"). Authorized investments include obligations of the United States Treasury, agencies of the United States government, federally sponsored enterprises, local and State bond issues, bankers acceptances, commercial paper of prime quality, collateralized and negotiable certificates of deposit, repurchase and reverse repurchase agreements, medium term corporate notes, shares of beneficial interest in diversified management companies (mutual funds) and asset backed (including mortgage related) securities.

Each calendar year the County Treasurer prepares an Annual Statement of Investment Policy (the "**Investment Policy**") that sets the framework for the investment practices relating to the County treasury. Legislation enacted in 1996 and effective January 1, 1997 requires that the Investment Policy be filed and approved by the Board of Supervisors in open session. The Board of Supervisors approved the current Investment Policy, which became effective March 13, 2018. Having been so approved, the Investment Policy may not be changed without Board approval. The current Statement of Investment Policy can be accessed through the County Treasurer's web site at www.sanmateocountytreasurer.org.

The approved Investment Policy provides that the County's investment objectives are to "preserve principal while earning a reasonable rate of return while awaiting application for governmental purposes." The Investment Policy provides that the percentage of the Fund's market value in any one issuer's securities shall be regularly monitored and the TOC (defined below) will be notified within 10 days of any instances where the percentage of the Fund's market value in any one issuer's securities exceeds the percentage limitations set forth in the Investment Policy. Also, investments in repurchase agreements are authorized investments and can equal up to 100% of the total Pool. As of the date of the most recent investment report, repurchase agreements equaled approximately 4.11% of the total par value of the investments in the Pool.

In accordance with California law, the County of San Mateo Board of Supervisors created an eight-member Treasury Oversight Committee (the "**TOC**") on April 2, 1996. The statutory role of the TOC is to review the Investment Policy as prepared by the Treasurer, to monitor policy compliance as well as investment performance and to cause an annual independent audit to be performed. The TOC meets at least three times each year to accomplish its tasks.

According to the Investment Report for the month ending July 31, 2018, the total cost of the securities in the Treasury Pool was approximately \$4,583,181,535.35, and the corresponding market value (excluding accrued interest) was approximately \$4,567,657,628.95. As of July 31, 2018, approximately 68.4% of the securities in the Treasury Pool mature within less than one year.

The following table identifies the types of securities held by the Pool as of July 31, 2018:

<u>Type of Investment</u>	<u>Cost</u>	<u>Market Value (1)</u>	<u>% of Pool</u>
Certificate of Deposit	\$335,034,542.72	\$335,000,000.00	7.35%
Commercial Paper	871,279,120.89	874,728,692.45	19.19
Local Agency Investment Fund	65,000,000.00	65,000,000.00	1.43
Repurchase Agreements	187,500,000.00	187,500,000.00	4.11
United States Treasury - Bills	539,111,126.18	541,722,615.00	11.88
United States Treasury - Notes	853,975,045.86	831,223,552.00	18.23
Federal Agency – Floating Rate Securities	25,000,000.00	25,034,535.00	0.55
Federal Agency Securities	735,422,296.70	728,738,286.48	15.99
U.S. Instrumentalities	474,814,194.33	473,989,449.00	10.40
Floating Rate Securities	291,198,292.00	291,971,536.80	6.41
Corporate Bonds	204,846,916.67	203,581,955.00	4.47
Total	\$4,583,181,535.35	\$4,558,490,621.73	100.00%

(1) Excluding accrued interest.

Source: Tax Collector-Treasurer, County of San Mateo.

For further information concerning County investments, access the County's website: <http://www.sanmateocountytreasurer.org/investmentReports.html>. *The reference to this Internet website is made for reference and convenience only. The information contained within the website may not be current, has not been reviewed by the District and is not incorporated herein by reference.*

Investment of Bond Proceeds

The proceeds from the sale of the Bonds, to the extent of the principal amount thereof, will be paid to the Treasurer to the credit of the fund to be known as the "Election of 2014, Series B San Mateo County Community College District Bond Construction Fund" of the District (the "**Bond Construction Fund**"), which shall be accounted for separate and distinct from all other District and County funds, and those proceeds shall be used solely for the purpose for which the Bonds are being issued.

Funds on hand in the Bond Construction Fund shall be invested at the sole discretion of the Treasurer pursuant to applicable law, including specifically Government Code 53601, and the County Investment Policy.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

Principal of and interest on the Bonds are payable from the proceeds of an ad valorem tax levied by the County for the payment thereof. Articles XIII A, XIII B, XIII C, and XIII D of the State Constitution, Propositions 62, 98, 111 and 218, and certain other provisions of law discussed below, are included in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the District to levy taxes and spend tax proceeds for operating and other purposes, and it should not be inferred from the inclusion of such materials that these laws impose any limitation on the ability of the District to levy taxes for payment of the Bonds. The tax levied by the County for payment of the Bonds was approved by the District's voters in compliance with Article XIII A and all applicable laws.

Constitutionally Required Funding of Education

The State Constitution requires that from all State revenues, there shall be first set apart the moneys to be applied by the State for the support of the public school system and public institutions of higher education. College districts receive a significant portion of their funding from State appropriations. As a result, decreases and increases in State revenues can significantly affect appropriations made by the State Legislature to school and college districts.

Article XIII A of the California Constitution

Basic Property Tax Levy. On June 6, 1978, California voters approved Proposition 13 (“**Proposition 13**”), which added Article XIII A to the State Constitution (“**Article XIII A**”). Article XIII A limits the amount of any *ad valorem* tax on real property to one percent of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on (i) indebtedness approved by the voters prior to July 1, 1978, (ii) (as a result of an amendment to Article XIII A approved by State voters on June 3, 1986) on bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness, and (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. As described under “THE BONDS – Authority for Issuance,” the District received authorization by a requisite 55% of voters to issue the Bonds. Article XIII A defines full cash value to mean “the county assessor’s valuation of real property as shown on the 1975-76 tax bill under full cash value, or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership have occurred after the 1975 assessment.” This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIII A has subsequently been amended to permit reduction of the “full cash value” base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the “full cash value” base in the event of reconstruction of property damaged or destroyed in a disaster and in other minor or technical ways.

Both the United States Supreme Court and the California State Supreme Court have upheld the general validity of Article XIII A.

Legislation Implementing Article XIII A. Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the annual adjustment not to exceed 2% are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years.

Inflationary Adjustment of Assessed Valuation. As described above, the assessed value of a property may be increased at a rate not to exceed 2% per year to account for inflation. On December 27, 2001, the Orange County Superior Court, in *County of Orange v. Orange County Assessment Appeals Board No. 3*, held that where a home’s taxable value did not increase for two years, due to a flat real estate market, the Orange County assessor violated the two percent inflation adjustment provision of Article XIII A, when the assessor tried to “recapture” the tax value of the property by increasing its assessed value by 4% in a single year. The assessors in most California counties, including the County, use a similar methodology in raising the taxable values of property beyond 2% in a single year. The State Board of Equalization has approved this methodology for increasing assessed values. On appeal, the Appellate Court held that the trial court erred in ruling that assessments are always limited to no more than 2% of the previous year’s assessment. On May 10, 2004 a petition for review was filed with the California Supreme Court. The petition has been denied by the California Supreme Court. As a result of this litigation, the “recapture” provision described above may continue to be employed in determining the full cash value of property for property tax purposes.

Unitary Property

Some amount of property tax revenue of the District is derived from utility property that is considered part of a utility system with components located in many taxing jurisdictions (“**unitary property**”). Under the State Constitution, such property is assessed by the SBE as part of a “going concern” rather than as individual pieces of real or personal property. State-assessed unitary and certain other property is allocated to the counties by SBE, taxed at special county-wide rates, and the tax revenues distributed to taxing jurisdictions (including the District) according to statutory formulae generally based on the distribution of taxes in the prior year.

Constitutional Appropriations Limitation

Article XIII B (“**Article XIII B**”) of the State Constitution, as subsequently amended by Propositions 98 and 111, respectively, limits the annual appropriations of the State and of any city, county, school district, authority or other political subdivision of the State to the level of appropriations of the particular governmental entity for the prior fiscal year, as adjusted for changes in the cost of living and in population and for transfers in the financial responsibility for providing services and for certain declared emergencies. For fiscal years beginning on or after July 1, 1990, the appropriations limit of each entity of government will be the appropriations limit for the 1986-87 fiscal year adjusted for the changes made from that fiscal year under the provisions of Article XIII B, as amended.

The appropriations of an entity of local government subject to Article XIII B limitations include the proceeds of taxes levied by or for that entity and the proceeds of certain state subventions to that entity. "Proceeds of taxes" include, but are not limited to, all tax revenues and the proceeds to the entity from (a) regulatory licenses, user charges and user fees (but only to the extent that these proceeds exceed the reasonable costs in providing the regulation, product or service), and (b) the investment of tax revenues.

Appropriations subject to limitation do not include (a) refunds of taxes, (b) appropriations for debt service such as the Lease Payments, (c) appropriations required to comply with certain mandates of the courts or the federal government, (d) appropriations of certain special districts, (e) appropriations for all qualified capital outlay projects as defined by the legislature, (f) appropriations derived from certain fuel and vehicle taxes and (g) appropriations derived from certain taxes on tobacco products.

Article XIII B includes a requirement that all revenues received by an entity of government other than the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be returned by a revision of tax rates or fee schedules within the next two subsequent fiscal years.

Article XIII B also includes a requirement that fifty percent of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be transferred and allocated to the State School Fund under Section 8.5 of Article XVI of the State Constitution. See "Proposition 98" and "Proposition 111" below.

Article XIII C and Article XIII D of the California Constitution

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the “Right to Vote on Taxes Act.” Proposition 218 added to the California Constitution Articles XIII C and XIII D (respectively, “**Article XIII C**” and “**Article XIII D**”), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the “Title and Summary” of Proposition 218 prepared by the California Attorney General, Proposition 218 limits “the authority of local governments to impose taxes and property-related assessments, fees and charges.” Among other things, Article XIII C establishes that every tax is either a “general tax” (imposed for general governmental purposes) or a “special tax” (imposed for specific purposes), prohibits special purpose government agencies such as school districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds percent vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIII C further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIII A of the California Constitution and special taxes approved by a two-thirds percent vote under Article XIII A, Section 4. Article XIII D deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIII C or XIII D will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

Proposition 218 does not affect the *ad valorem* property taxes to be levied by the County to pay debt service on the Bonds.

Proposition 62

A statutory initiative (“**Proposition 62**”) was adopted by the voters at the November 4, 1986, general election which (a) requires that any new or higher taxes for general governmental purposes imposed by local governmental entities such as the District be approved by a two-thirds vote of the governmental entity’s legislative body and by a majority vote of the voters of the governmental entity voting in an election on the tax, (b) requires that any special tax (defined as taxes levied for other than general governmental purposes) imposed by a local governmental entity be approved by a two-thirds vote of the voters of the governmental entity voting in an election on the tax, (c) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax was imposed, (d) prohibits the imposition of *ad valorem* taxes on real property by local governmental entities except as permitted by Article XIII A, (e) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities, and (f) requires that any tax imposed by a local governmental entity on or after August 1, 1985, be ratified by a majority vote of the voters voting in an election on the tax within two years of the adoption of the initiative or be terminated by November 15, 1988.

California appellate court cases have overturned the provisions of Proposition 62 pertaining to the imposition of taxes for general government purposes. However, the California Supreme Court upheld Proposition 62 in its decision on August 28, 1995, in *Fresno County Transportation Authority v. Gardino*. This decision reaffirmed the constitutionality of Proposition 62. Certain matters regarding Proposition 62 were not addressed in the Supreme Court’s decision, such as what remedies exist for taxpayers subject to a tax not in compliance with

Proposition 62, and whether the decision applies to charter cities. The District has not experienced any substantive adverse financial impact as a result of the passage of this initiative.

Proposition 98

On November 8, 1988, California voters approved Proposition 98, a combined initiative constitutional amendment and statute called the “Classroom Instructional Improvement and Accountability Act” (the “**Accountability Act**”). Certain provisions of the Accountability Act have, however, been modified by Proposition 111 (discussed below), the provisions of which became effective on July 1, 1990. The Accountability Act changed State funding of public education below the university level and the operation of the State’s appropriations limit. The Accountability Act guarantees State funding for K-12 school districts and community college districts (hereinafter referred to collectively as “**K-14 school districts**”) at a level equal to the greater of (a) the same percentage of State general fund revenues as the percentage appropriated to such districts in 1986-87, and (b) the amount actually appropriated to such districts from the State general fund in the previous fiscal year, adjusted for increases in enrollment and changes in the cost of living. The Accountability Act permits the Legislature to suspend this formula for a one-year period.

The Accountability Act also changes how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount would, instead of being returned to taxpayers, be transferred to K-14 school districts. Any such transfer to K-14 school districts would be excluded from the appropriations limit for K-14 school districts and the K-14 school district appropriations limit for the next year would automatically be increased by the amount of such transfer. These additional moneys would enter the base funding calculation for K-14 school districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIII B surplus. The maximum amount of excess tax revenues which could be transferred to K-14 school districts is 4% of the minimum State spending for education mandated by the Accountability Act.

Proposition 111

On June 5, 1990, the voters approved Proposition 111 (Senate Constitutional Amendment No. 1) called the “Traffic Congestion Relief and Spending Limit Act of 1990” (“**Proposition 111**”), which further modified Article XIII B and Sections 8 and 8.5 of Article XVI of the State Constitution with respect to appropriations limitations and school funding priority and allocation.

The most significant provisions of Proposition 111 are summarized as follows:

Annual Adjustments to Spending Limit. The annual adjustments to the Article XIII B spending limit were liberalized to be more closely linked to the rate of economic growth. Instead of being tied to the Consumer Price Index, the “change in the cost of living” is now measured by the change in California per capita personal income. The definition of “change in population” specifies that a portion of the State’s spending limit is to be adjusted to reflect changes in school attendance.

Treatment of Excess Tax Revenues. “Excess” tax revenues with respect to Article XIII B are now determined based on a two-year cycle, so that the State can avoid having to return to taxpayers excess tax revenues in one year if its appropriations in the next fiscal year are under its limit. In addition, the Proposition 98 provision regarding excess tax revenues was modified. After any two-year period, if there are excess State tax revenues, 50% of the excess are to be transferred to K-14 school districts with the balance returned to taxpayers; under prior law, 100%

of excess State tax revenues went to K-14 school districts, but only up to a maximum of 4% of the schools' minimum funding level. Also, reversing prior law, any excess State tax revenues transferred to K-14 school districts are not built into the school districts' base expenditures for calculating their entitlement for State aid in the next year, and the State's appropriations limit is not to be increased by this amount.

Exclusions from Spending Limit. Two exceptions were added to the calculation of appropriations which are subject to the Article XIII B spending limit. First, there are excluded all appropriations for "qualified capital outlay projects" as defined by the Legislature. Second, there are excluded any increases in gasoline taxes above the 1990 level (then nine cents per gallon), sales and use taxes on such increment in gasoline taxes, and increases in receipts from vehicle weight fees above the levels in effect on January 1, 1990. These latter provisions were necessary to make effective the transportation funding package approved by the Legislature and the Governor, which expected to raise over \$15 billion in additional taxes from 1990 through 2000 to fund transportation programs.

Recalculation of Appropriations Limit. The Article XIII B appropriations limit for each unit of government, including the State, is to be recalculated beginning in fiscal year 1990-91. It is based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Proposition 111 had been in effect.

School Funding Guarantee. There is a complex adjustment in the formula enacted in Proposition 98 which guarantees K-14 school districts a certain amount of State general fund revenues. Under prior law, K-14 school districts were guaranteed the greater of (1) 40.9% of State general fund revenues (the "**first test**") or (2) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIII B by reference to per capita personal income) and enrollment (the "**second test**"). Under Proposition 111, schools will receive the greater of (1) the first test, (2) the second test, or (3) a third test, which will replace the second test in any year when growth in per capita State general fund revenues from the prior year is less than the annual growth in California per capita personal income. Under the third test, schools will receive the amount appropriated in the prior year adjusted for change in enrollment and per capita State general fund revenues, plus an additional small adjustment factor. If the third test is used in any year, the difference between the third test and the second test will become a "credit" to schools which will be paid in future years when State general fund revenue growth exceeds personal income growth.

Proposition 39

On November 7, 2000, California voters approved an amendment (commonly known as "**Proposition 39**") to the California Constitution. This amendment (1) allows school facilities bond measures to be approved by 55% (rather than two-thirds) of the voters in local elections and permits property taxes to exceed the current 1% limit in order to repay the bonds and (2) changes existing statutory law regarding charter school facilities. As adopted, the constitutional amendments may be changed only with another Statewide vote of the people. The statutory provisions could be changed by a majority vote of both houses of the Legislature and approval by the Governor, but only to further the purposes of the proposition. The local school jurisdictions affected by this proposition are K-12 school districts, community college districts, including the District, and county offices of education. As noted above, the California Constitution previously limited property taxes to 1% of the value of property. Prior to the approval of Proposition 39, property taxes could only exceed this limit to pay for (1) any local government debts approved by

the voters prior to July 1, 1978 or (2) bonds to acquire or improve real property that receive two-thirds voter approval after July 1, 1978.

The 55% vote requirement authorized by Proposition 39 applies only if the local bond measure presented to the voters includes: (1) a requirement that the bond funds can be used only for construction, rehabilitation, equipping of school facilities, or the acquisition or lease of real property for school facilities; (2) a specific list of school projects to be funded and certification that the school board has evaluated safety, class size reduction, and information technology needs in developing the list; and (3) a requirement that the school board conduct annual, independent financial and performance audits until all bond funds have been spent to ensure that the bond funds have been used only for the projects listed in the measure. Legislation approved in June 2000 places certain limitations on local school bonds to be approved by 55% of the voters. These provisions require that the tax rate levied as the result of any single election be no more than \$60 (for a unified school district), \$30 (for an elementary school district or high school district), or \$25 (for a community college district), per \$100,000 of taxable property value. These requirements are not part of this proposition and can be changed with a majority vote of both houses of the Legislature and approval by the Governor.

Proposition 30 and Proposition 55

Proposition 30 appeared on the November 6, 2012 statewide ballot as an initiated constitutional amendment (“**Proposition 30**”), and it was approved by State voters. Proposition 30 increased the State sales tax from 7.25% to 7.50%, increased personal income tax rates on higher income brackets for seven years, and temporarily imposed an additional tax on all retailers, at the rate of 0.25% of gross receipts from the sale of all tangible personal property sold in the State from January 1, 2013 to December 31, 2016. Proposition 30 also imposed an additional excise tax on the storage, use, or other consumption in the State of tangible personal property purchased from a retailer on and after January 1, 2013 and before January 1, 2017. This excise tax is levied at a rate of 0.25% of the sales price of the property so purchased. For personal income taxes imposed beginning in the taxable year commencing January 1, 2012 and ending December 31, 2018, Proposition 30 increased the marginal personal income tax rate by: (i) 1% for taxable income over \$250,000 but less than \$300,000 for single filers (over \$500,000 but less than \$600,000 for joint filers and over, \$340,000 but less than \$408,000 for head-of-household filers), (ii) 2% for taxable income over \$300,000 but less than \$500,000 for single filers (over \$600,000 but less than \$1,000,000 for joint filers and over \$408,000 but less than \$680,000 for head-of-household filers), and (iii) 3% for taxable income over \$500,000 for single filers (over \$1,000,000 for joint filers and over \$680,000 for head-of-household filers).

The revenues generated from the temporary tax increases are included in the calculation of the Proposition 98 minimum funding guarantee for school districts and community college districts. See “Proposition 98” and “Proposition 111” above. From an accounting perspective, the revenues generated from the temporary tax increases will be deposited into the State account created pursuant to Proposition 30 called the Education Protection Account (the “**EPA**”). Pursuant to Proposition 30, funds in the EPA will be allocated quarterly, with 89% of such funds provided to school districts and 11% provided to community college districts. The funds will be distributed to school districts and community college districts in the same manner as existing unrestricted per-student funding, except that no school district will receive less than \$200 per unit of ADA and no community college district will receive less than \$100 per full time equivalent student. The governing board of each school district and community college district is granted sole authority to determine how the moneys received from the EPA are spent, provided that, the appropriate governing board is required to make these spending determinations in open session

at a public meeting and such local governing boards are prohibited from using any funds from the EPA for salaries or benefits of administrators or any other administrative costs. EPA funds are provided to all districts, even if a district is community supported.

The California Children's Education and Health Care Protection Act of 2016, also known as Proposition 55, was a proposed constitutional amendment initiative that was approved on the November 8, 2016 general election ballot in California. Proposition 55 extends the increases to personal income tax rates for high-income taxpayers that were approved as part of Proposition 30 through 2030, instead of the scheduled expiration date of December 31, 2018. Tax revenue received under Proposition 55 is to be allocated 89% to K-12 schools and 11% to community colleges.

Proposition 1A and Proposition 22

On November 2, 2004, California voters approved Proposition 1A, which amended the State constitution to significantly reduce the State's authority over major local government revenue sources. Under Proposition 1A, the State cannot (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to schools or community colleges, (iii) change how property tax revenues are shared among local governments without two-thirds approval of both houses of the State Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. Under Proposition 1A, beginning, in 2008-09, the State may shift to schools and community colleges a limited amount of local government property tax revenue if certain conditions are met, including: (i) a proclamation by the Governor that the shift is needed due to a severe financial hardship of the State, and (ii) approval of the shift by the State Legislature with a two-thirds vote of both houses. Under such a shift, the State must repay local governments for their property tax losses, with interest, within three years. Proposition 1A does allow the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amended the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to schools or community colleges or to those mandates relating to employee rights.

Proposition 22, a constitutional initiative entitled the "Local Taxpayer, Public Safety, and Transportation Protection Act of 2010," approved on November 2, 2010, superseded many of the provision of Proposition 1A. This initiative amends the State constitution to prohibit the legislature from diverting or shifting revenues that are dedicated to funding services provided by local government or funds dedicated to transportation improvement projects and services. Under this proposition, the State is not allowed to take revenue derived from locally imposed taxes, such as hotel taxes, parcel taxes, utility taxes and sales taxes, and local public transit and transportation funds. Further, in the event that a local governmental agency sues the State alleging a violation of these provisions and wins, then the State must automatically appropriate the funds needed to pay that local government. This Proposition was intended to, among other things, stabilize local government revenue sources by restricting the State's control over local property taxes. Proposition 22 did not prevent the California State Legislature from dissolving State redevelopment agencies pursuant to AB 1X26, as confirmed by the decision of the California Supreme Court decision in *California Redevelopment Association v. Matosantos* (2011).

Because Proposition 22 reduces the State's authority to use or reallocate certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions

to balance its budget, such as reducing State spending or increasing State taxes, and school and college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State's general fund.

California Senate Bill 222

Senate Bill 222 (“**SB 222**”) was signed by the California Governor on July 13, 2015 and became effective on January 1, 2016. SB 222 amended Section 15251 of the California Education Code and added Section 52515 to the California Government Code to provide that voter approved general obligation bonds which are secured by *ad valorem* tax collections such as the Bonds are secured by a statutory lien on all revenues received pursuant to the levy and collection of the property tax imposed to service those bonds. Said lien shall attach automatically and is valid and binding from the time the bonds are executed and delivered. The lien is enforceable against the issuer, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any further act. The effect of SB 222 is the treatment of general obligation bonds as secured debt in bankruptcy due to the existence of a statutory lien.

Proposition 2

Voters in California approved Proposition 2 on November 4, 2014, which altered the State's existing requirements for the Budget Stabilization Account created in 2004. Proposition 2 created a distinct budget stabilization fund known as the Public School System Stabilization Account (the Proposition 98 reserve), which is to be funded by a transfer of capital gains-related revenues in excess of 8% of general fund revenues.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C and Article XIII D of the California Constitution and Propositions 22, 62, 98 and 111 were each adopted as measures that qualified for the ballot under the State's initiative process. From time to time other initiative measures could be adopted further affecting District revenues or the District's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the District.

SAN MATEO COUNTY DEMOGRAPHIC INFORMATION

The District's boundaries are coterminous with those of San Mateo County. This section provides certain information about the economy and demographic trends in the County. However, no revenues of the County or taxes on economic activity in the County are pledged to payment of the Bonds. The Bonds are payable from an ad valorem property tax required to be levied on all taxable property within the District's boundaries in an amount sufficient to pay debt service on the Bonds as it comes due.

General

The County. The County of San Mateo (the “**County**”) is located on the California coast approximately 15 miles south of the City of San Francisco. The County is a major employment base, and is also accessible to the San Jose and Silicon Valley areas approximately 30 miles south via Interstate 280 or U.S. Highway 101. The County has an approximate total area of 741

square miles, of which 448 square miles is land and 293 square miles is water. It is the third-smallest county in California by land area.

Population

The following table shows population estimates for the County for the past five years as of January 1.

SAN MATEO COUNTY					
Population Estimates					
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Atherton	7,007	7,041	7,074	7,100	7,135
Belmont	26,940	27,184	27,371	27,343	27,388
Brisbane	4,454	4,547	4,630	4,656	4,692
Burlingame	29,817	29,992	30,182	30,207	30,294
Colma	1,494	1,511	1,521	1,516	1,501
Daly City	106,615	107,260	107,810	107,733	107,864
East Palo Alto	29,928	30,450	30,604	30,718	30,917
Foster City	32,736	32,954	33,087	33,287	33,490
Half Moon Bay	11,742	11,907	12,284	12,456	12,639
Hillsborough	11,159	11,186	11,216	11,389	11,543
Menlo Park	32,667	32,902	32,976	34,789	35,268
Millbrae	22,461	22,578	22,668	22,796	22,854
Pacifica	38,143	38,232	38,318	38,342	38,418
Portola Valley	4,583	4,680	4,744	4,747	4,767
Redwood City	82,775	84,204	86,079	86,271	86,380
San Bruno	44,311	45,861	46,036	45,965	46,085
San Carlos	29,425	29,489	29,534	29,681	29,897
San Mateo	100,403	101,608	103,006	103,465	104,490
South San Francisco	65,992	66,297	66,597	66,752	67,082
Woodside	5,509	5,535	5,570	5,593	5,623
Balance of County	64,539	64,925	65,282	65,450	65,828
County Total	<u>752,700</u>	<u>760,343</u>	<u>766,589</u>	<u>770,256</u>	<u>774,155</u>

Source: California State Department of Finance, Demographic Research Unit.

Employment and Industry

The County is included in the San Francisco-Redwood City-South San Francisco Metropolitan District (“MD”), which is comprised of San Francisco and San Mateo Counties. The unemployment rate in the San Francisco-Redwood City-South San Francisco MD was 2.6% in June 2018, up from a revised 2.0% in May 2018, and below the year-ago estimate of 3.0%. This compares with an unadjusted unemployment rate of 4.5% for California and 4.2% for the nation during the same period. The unemployment rate was 2.6% in San Francisco County, and 2.5% in San Mateo County.

The following table summarizes the civilian labor force, employment and unemployment for the San Francisco-Redwood City-South San Francisco MD for the years 2013 through 2017. These figures are county-wide statistics and may not necessarily accurately reflect employment trends in the Counties.

SAN FRANCISCO-REDWOOD CITY-SOUTH SAN FRANCISCO MD
(San Francisco And San Mateo Counties)
Annual Average Civilian Labor Force, Employment and Unemployment, and
Unemployment by Industry
Calendar Years 2013 through 2017
(March 2017 Benchmark)

	2013	2014	2015	2016	2017
Civilian Labor Force ⁽¹⁾	934,400	957,800	983,400	1,005,500	1,020,900
Employment	884,200	916,600	948,800	973,600	992,100
Unemployment	50,200	41,200	34,600	31,900	28,800
Unemployment Rate	5.4%	4.3%	3.5%	3.2%	2.8%
Wage and Salary Employment: ⁽²⁾					
Agriculture	1,800	1,900	1,900	1,900	1,900
Manufacturing	34,700	35,600	36,100	38,000	39,200
Wholesale Trade	24,700	25,600	26,900	27,600	28,600
Retail Trade	77,500	79,600	80,700	81,000	81,400
Trans., Warehousing, Utilities	38,700	39,700	42,100	47,000	50,000
Information	49,600	55,000	63,100	70,400	76,400
Financial and Insurance	50,700	52,300	54,800	57,200	57,200
Real Estate, Rental & Leasing	19,300	19,600	20,400	21,000	21,800
Professional and Business Services	228,000	243,900	259,600	270,200	276,200
Educational and Health Services	123,400	126,000	129,900	133,300	136,300
Leisure and Hospitality	125,700	131,100	136,100	139,900	140,500
Other Services	37,600	39,600	40,000	40,700	40,800
Federal Government	17,600	17,500	17,700	17,800	17,600
State Government	32,900	33,000	34,100	35,300	36,100
Local Government	68,400	70,200	72,600	74,600	75,900
Total All Industries ⁽³⁾	961,000	1,003,200	1,052,100	1,094,500	1,119,300

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Totals may not add due to rounding.

Source: State of California Employment Development Department.

The following table lists the twenty-five largest employers within the County as of August 1, 2018, listed alphabetically.

**SAN MATEO COUNTY
Major Employers
(As of August 1, 2018)**

<u>Employer Name</u>	<u>Location</u>	<u>Industry</u>
Electric Charging Station	Menlo Park	Research Services
Electronic Arts Inc.	Redwood City	Game Designers (Mfrs.)
Fisher Investments	San Mateo	Investment Management
Fisher Investments	Woodside	Investment Management
Forced Dump Debris Box Svc.	Burlingame	Garbage Collection
Franklin Templeton Investments	San Mateo	Investments
Genentech Inc.	South San Francisco	Biotechnology Products & Services
Gilead Sciences Inc.	Foster City	Biological Products (Mfrs.)
Guckenheimer Inc.	Foster City	Marketing Programs & Services
Kaiser Permanente Medical Ctr.	Redwood City	Physicians & Surgeons
Kaiser Permanente Medical Ctr.	South San Francisco	Hospitals
Loften North America	Burlingame	Mining Companies
LPCH	Menlo Park	Health Care Facilities
Mills Peninsula Health Svc.	Burlingame	Health Care Management
Oracle Corp.	Redwood City	Computer Software-Manufacturers
San Francisco Intl. Airport-SFO	San Francisco	Airports
San Mateo County Behavior	San Mateo	Government Offices-County
San Mateo Medical Ctr.	San Mateo	Hospitals
Sciex LLC	Redwood City	Scientific Apparatus & Instruments-Mfrs.
SMC Tax Collector	Redwood City	Tax Return Preparation & Filing
SRI International Inc.	Menlo Park	Engineers-Research
US Interior Dept.	Menlo Park	Government Offices-US
Visa Inc.	Foster City	Credit Card & Other Credit Plans
Visa International Svc. Assn.	Foster City	Associations
Visa USA Inc.	Foster City	Credit Card & Other Credit Plans

Source: State of California Employment Development Department, America's Labor Market Information System (ALMIS) Employer Database, 2018 1st Edition.

Commercial Activity

Summaries of historic taxable sales within the County during the past five years in which data is available are shown in the following table. Figures are not yet available for calendar year 2017.

Total taxable sales during calendar year 2016 in the County were reported to be \$15.659 billion, a 1.2% increase over the total taxable sales of \$15.478 billion reported during calendar year 2015.

SAN MATEO COUNTY
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)
2012 through 2016

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2012	11,748	\$9,277,144	19,189	\$13,906,978
2013	12,438	9,935,641	19,808	14,611,618
2014	12,673	10,278,717	19,999	15,298,434
2015 ⁽¹⁾	8,833	10,301,197	21,825	15,478,010
2016	12,966	10,394,055	21,899	15,658,573

(1) Permit figures for calendar year 2015 are not comparable to that of prior years due to outlet counts in these reports including the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers.

Source: State Board of Equalization.

Median Effective Buying Income

Effective buying income ("EBI") is designated by Sales and Marketing Management Magazine as personal income less personal tax and non-tax payments. Personal income is the aggregate of wages and salaries, other labor income (such as employer contributions to private pension funds), proprietor's income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, personal interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local, non-tax payments such as fines, fees, penalties), and personal contributions for social insurance. Effective buying income is a bulk measure of market potential. It indicates the general ability to buy and is essential in comparing, selecting and grouping markets on that basis.

The following table demonstrates the growth in annual estimated EBI for the County, the State and the United States for the period 2012 through 2017.

COUNTY OF SAN MATEO, STATE OF CALIFORNIA AND UNITED STATES Effective Buying Income 2012 through 2017

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2012	San Mateo County	\$26,570,648	\$68,429
	California	864,088,828	47,307
	United States	6,737,867,730	41,358
2013	San Mateo County	\$26,846,688	\$70,427
	California	858,676,636	48,340
	United States	6,982,757,379	43,715
2014	County of San Mateo	\$28,257,708	\$72,165
	California	901,189,699	50,072
	United States	7,357,153,421	45,448
2015	San Mateo County	\$28,257,708	\$72,165
	California	901,189,699	50,072
	United States	7,357,153,421	45,448
2016	San Mateo County	\$33,690,067	\$81,795
	California	1,036,142,723	55,681
	United States	8,132,748,136	48,043
2017	San Mateo County	\$35,362,153	\$87,101
	California	1,113,648,181	59,646
	United States	8,640,770,229	50,735

Source: The Nielsen Company (US), Inc.

Construction Activity

Building activity for the calendar years 2013 through 2017 in the County is shown in the following table.

COUNTY OF SAN MATEO Building Permit Valuation (Valuation in Thousands of Dollars)

	2013	2014	2015	2016	2017
<u>Permit Valuation</u>					
New Single-family	\$292,893.4	\$289,903.2	\$374,275.5	\$367,334.0	\$338,186.5
New Multi-family	151,019.5	162,925.6	259,181.0	252,560.4	210,996.5
Res. Alterations/Additions	<u>299,830.5</u>	<u>348,231.2</u>	<u>408,011.2</u>	<u>395,240.9</u>	<u>503,351.5</u>
Total Residential	\$743,743.4	\$801,060.0	\$1,041,467.7	\$1,015,135.3	\$1,052,534.5
New Commercial	\$165,578.7	\$413,462.8	\$328,133.6	\$716,150.7	\$206,056.6
New Industrial	15,724.2	9,600.0	0.0	4,954.8	0.0
New Other	58,726.5	103,363.4	192,961.9	196,145.2	9,924.9
Com. Alterations/Additions	<u>263,460.8</u>	<u>490,364.6</u>	<u>489,389.7</u>	<u>728,965.3</u>	<u>73,092.6</u>
Total Nonresidential	\$503,490.2	\$1,016,790.8	\$1,010,485.2	\$1,646,216.0	\$289,074.1
<u>New Dwelling Units</u>					
Single Family	350	315	521	458	411
Multiple Family	<u>840</u>	<u>17</u>	<u>1,386</u>	<u>1,319</u>	<u>1,169</u>
TOTAL	1,190	332	1,907	1,777	1,580

Source: Construction Industry Research Board, Building Permit Summary.

Transportation

San Francisco International Airport (“**SFO**”), the “gateway to the Pacific,” is a world-class airport serving tens of millions of domestic and international passengers annually. One of the world’s 30 busiest airports, SFO is committed to setting the standard for our industry. This includes being a leader in safety and security, customer service and satisfaction, community relations, environmental commitment, quality of facilities, and financial and economic vitality. SFO was the first major U.S. airport to achieve 100 percent fully automated and integrated baggage screening. Today, efficient operations ensure that passenger screening wait times are among the shortest in the nation.

The Port of Redwood City is also located in the County. The Port has a deep-water channel and handles bulk cargo, including lumber and scrap metal.

The County is connected to downtown San Francisco, SFO, and the East Bay by the San Francisco Bay Area Rapid Transit (“**BART**”) District.

The County is also served by Caltrain, a commuter rail service between San Jose and San Francisco, running along the Southern Pacific right-of-way.

APPENDIX B

FISCAL YEAR 2016-17 AUDITED FINANCIAL STATEMENTS

**APPENDIX C
PROPOSED FORM OF OPINION OF BOND COUNSEL**

(Series B Bonds)

[LETTERHEAD OF JONES HALL]

_____, 2018

Board of Trustees
San Mateo County Community College District
3401 CSM Drive
San Mateo, California 94402

OPINION: \$_____ San Mateo County Community College District
 (County of San Mateo, California) 2018 General Obligation Bonds
 (2014 Election), Series B

Members of the Board of Trustees:

We have acted as bond counsel to the San Mateo County Community College District (the "District") in connection with the issuance by the District of its San Mateo County Community College District (County of San Mateo, California) 2018 General Obligation Bonds (2014 Election), Series B in the aggregate principal amount of \$_____ (the "Bonds"), pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 of said Code (the "Bond Law") and a resolution of the Board of Trustees of the District (the "Board") adopted on _____, 2018 (the "Resolution"). We have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Board contained in the Resolution and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The District is duly created and validly existing as a community college district with the power to adopt the Bond Resolution, perform the agreements on its part contained therein and issue the Bonds.
2. The Bond Resolution has been duly adopted by the District and constitutes a valid and binding obligation of the District enforceable upon the District in accordance with its terms.

3. The Bonds have been duly issued by the District and are valid and binding general obligations of the District, and the Board of Supervisors of Imperial County is obligated to levy ad valorem taxes for the payment when of the Bonds and the interest thereon when due upon all property within the District subject to taxation by the District, without limitation as to rate or amount.

4. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax, although, in the case of tax years beginning prior to January 1, 2018, for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest earned by a corporation prior to the end of its tax year in 2018 is taken into account in determining certain income and earnings.

The opinions set forth in the preceding paragraph are subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended, relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds.

5. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A Professional Law Corporation

PROPOSED FORM OF OPINION OF BOND COUNSEL
(2018 Refunding Bonds)

[LETTERHEAD OF JONES HALL]

_____, 2018

Board of Trustees
San Mateo County Community College District
3401 CSM Drive
San Mateo, California 94402

OPINION: \$_____ San Mateo County Community College District
 (County of San Mateo, California) 2018 General Obligation
 Refunding Bonds

Members of the Board of Trustees:

We have acted as bond counsel to the San Mateo County Community College District (the "District") in connection with the issuance by the District of its San Mateo County Community College District (County of San Mateo, California) 2018 General Obligation Refunding Bonds in the aggregate principal amount of \$_____ (the "Bonds"), pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Bond Law") and a resolution of the Board of Trustees of the District (the "Board") adopted on _____, 2018 (the "Resolution"). We have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Board contained in the Resolution and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The District is duly created and validly existing as a community college district with the power to adopt the Bond Resolution, perform the agreements on its part contained therein and issue the Bonds.

2. The Bond Resolution has been duly adopted by the District and constitutes a valid and binding obligation of the District enforceable upon the District in accordance with its terms.

3. The Bonds have been duly issued by the District and are valid and binding general obligations of the District, and the Board of Supervisors of Imperial County is obligated to levy ad valorem taxes for the payment when of the Bonds and the interest thereon when due upon all property within the District subject to taxation by the District, without limitation as to rate or amount.

4. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax, although, in the case of tax years beginning prior to January 1, 2018, for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest earned by a corporation prior to the end of its tax year in 2018 is taken into account in determining certain income and earnings.

The opinions set forth in the preceding paragraph are subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended, relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds.

5. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A Professional Law Corporation

PROPOSED FORM OF OPINION OF BOND COUNSEL
([Taxable][2019 Forward Delivery] Refunding Bonds)

[LETTERHEAD OF JONES HALL]

[Closing Date][Settlement Date]

Board of Trustees
San Mateo County Community College District
3401 CSM Drive
San Mateo, California 94402

OPINION: \$_____ San Mateo County Community College District
 (County of San Mateo, California) 2018 General Obligation
 Refunding Bonds [(Federally Taxable)][(2019 Forward Delivery)]

Members of the Board of Trustees:

We have acted as bond counsel to the San Mateo County Community College District (the "District") in connection with the issuance by the District of its San Mateo County Community College District (County of San Mateo, California) 2018 General Obligation Refunding Bonds [(Federally Taxable)][(2019 Forward Delivery)] in the aggregate principal amount of \$_____ (the "Bonds"), pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Bond Law") and a resolution of the Board of Trustees of the District (the "Board") adopted on _____, 2018 (the "Resolution"). We have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Board contained in the Resolution and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The District is duly created and validly existing as a community college district with the power to adopt the Bond Resolution, perform the agreements on its part contained therein and issue the Bonds.

2. The Bond Resolution has been duly adopted by the District and constitutes a valid and binding obligation of the District enforceable upon the District in accordance with its terms.

3. The Bonds have been duly issued by the District and are valid and binding general obligations of the District, and the Board of Supervisors of Imperial County is obligated to levy ad valorem taxes for the payment when of the Bonds and the interest thereon when due upon all property within the District subject to taxation by the District, without limitation as to rate or amount.

4. [The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax, although, in the case of tax years beginning prior to January 1, 2018, for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest earned by a corporation prior to the end of its tax year in 2018 is taken into account in determining certain income and earnings.

The opinions set forth in the preceding paragraph are subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended, relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds.

5.]The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A Professional Law Corporation

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the San Mateo County Community College District (the "District") in connection with the issuance of \$_____ aggregate principal amount of San Mateo County Community College District (County of San Mateo, California) 2018 General Obligation Bonds (2014 Election), Series B, San Mateo County Community College District (County of San Mateo, California) 2018 General Obligation Refunding Bonds and San Mateo County Community College District (County of San Mateo, California) 2018 General Obligation Refunding Bonds [(Federally Taxable)] [(2019 Forward Delivery)] (collectively, the "Bonds"). The Bonds are being issued under resolutions adopted by the Board of Trustees of the District on _____, 2018 (the "Bond Resolution"). The District covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Bond Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"*Annual Report*" means any Annual Report provided by the District under and as described in Sections 3 and 4.

"*Annual Report Date*" means the date not later than nine months after the end of each fiscal year of the District.

"*Dissemination Agent*" means the District or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation.

"*Listed Events*" means any of the events listed in Section 5(a).

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

"*Official Statement*" means the final Official Statement relating to the Bonds.

"*Participating Underwriter*" means Morgan Stanley & Co. LLC.

"*Rule*" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2019 with the report for fiscal year 2017-18, provide to the Participating Underwriter and the MSRB in an electronic format as prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the District) has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if not available by that date. If the District's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) If the District is unable to provide to the MSRB an Annual Report by the Annual Report Date, the District shall provide (or cause the Dissemination Agent to provide) to the MSRB, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A, with a copy to the Paying Agent.

(c) With respect to each Annual Report, the Dissemination Agent shall:

- (i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and
- (ii) if the Dissemination Agent is other than the District, file a report with the District, with a copy to the Paying Agent, certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) Audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) To the extent not contained in the audited financial statements filed pursuant to the preceding clause (a), the Annual Report shall contain information showing:

- (i) Current fiscal year assessed valuation of taxable properties in the District, including assessed valuation of the top ten properties, in the forms provided in the Official Statement.

- (ii) Amount of all general obligation debt of the District outstanding, and total scheduled debt service on such general obligation debt.
- (iii) Any changes in the operation of the County's Teeter Plan since the previous Annual Report affecting the District's receipt of *ad valorem* property tax revenues used to pay debt service on the Bonds.
- (iv) Prior fiscal year total secured property tax levy and collections, showing current collections as a percent of the total levy, in any fiscal year in which the District does not participate in the Teeter Plan, if any.
- (v) The District's approved annual budget or a summary thereof for the then-current fiscal year.

(c) In addition to any of the information expressly required to be provided under paragraphs (a) and (b) of this Section, the District shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB's internet web site or filed with the Securities and Exchange Commission. The District shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The District shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.

- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the District or other obligated person.
- (13) The consummation of a merger, consolidation, or acquisition involving the District or an obligated person, or the sale of all or substantially all of the assets of the District or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Indenture.

(c) The District acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), and (a)(14) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Bonds. The District shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Whenever the District obtains knowledge of the occurrence of any of these Listed Events, the District will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the District will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

Section 6. Termination of Reporting Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

Section 7. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 8. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

- (a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;
- (b) the undertakings in this Official Statement, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Bond Resolution for amendments to the Bond Resolution with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the District to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Listed Event under Section 5(c).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. If the District fails to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Bond Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: _____, 2018

**SAN MATEO COUNTY COMMUNITY COLLEGE
DISTRICT**

By _____
Chancellor

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: San Mateo County Community College District

Name of Issue: \$_____ aggregate principal amount of San Mateo County Community College District (San Mateo County, California) 2018 General Obligation Bonds (2014 Election), Series B

\$_____ aggregate principal amount of San Mateo County Community College District (San Mateo County, California) 2018 General Obligation Refunding Bonds

\$_____ aggregate principal amount of San Mateo County Community College District (San Mateo County, California) 2018 General Obligation Refunding Bonds [(Federally Taxable)][(2019 Forward Delivery)]

Date of Issuance: _____, 2018

NOTICE IS HEREBY GIVEN that the San Mateo County Community College District (the "District") has not provided an Annual Report with respect to the above-named bonds as required by its Continuing Disclosure Certificate dated _____, 2018. The District anticipates that the Annual Report will be filed by _____.

Dated: _____

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

By _____
Name:
Title:

APPENDIX E

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company (“DTC”), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the District nor the Paying Agent take any responsibility for the information contained in this Appendix.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (in this Appendix, the “Bonds”). The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned

subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive Bonds representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

6. Redemption notices will be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting

rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from District or Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Paying Agent, or District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of District or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to District or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds are required to be printed and delivered.

10. The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

11. The information in this Appendix concerning DTC and DTC's book-entry system has been obtained from sources that District believes to be reliable, but District takes no responsibility for the accuracy thereof.

**[APPENDIX F
FORM OF DELAYED DELIVERY CONTRACT]**

BOND PURCHASE CONTRACT

**SAN MATEO COUNTY
COMMUNITY COLLEGE DISTRICT
(County of San Mateo, California)**

\$ _____ 2018 General Obligation Bonds (Election of 2014), Series B	\$ _____ 2018 General Obligation Refunding Bonds
---	--

November __, 2018

San Mateo County Community College District
3401 CSM Drive
San Mateo, California 94402

Ladies and Gentlemen:

The undersigned, Morgan Stanley & Co. LLC (the “Underwriter”), offers to enter into this Bond Purchase Contract (the “Purchase Contract”) with the San Mateo County Community College District (the “District”), which, upon acceptance hereof by the District, will be binding upon the District and the Underwriter. This offer is made subject to the written acceptance of this Purchase Contract by the District and delivery of such acceptance to us at our office prior to 11:59 p.m., California Time, on the date hereof.

1. Purchase and Sale of the Bonds. Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the District for reoffering to the public, and the District hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of \$ _____ in the aggregate principal amount of the District’s 2018 General Obligation Bonds (Election of 2014), Series B (the “Series B Bonds”), and \$ _____ in the aggregate principal amount of the District’s 2018 General Obligation Refunding Bonds, (the “Refunding Bonds” and, together with the Series B Bonds, the “Bonds”). The purchase price of the Series B Bonds shall be \$ _____ (being equal to the aggregate principal amount of the Series B Bonds of \$ _____, plus/minus original issue premium/discount in the amount of \$ _____, less an Underwriter’s discount in the amount of \$ _____). The purchase price of the Refunding Bonds shall be \$ _____ (being equal to the aggregate principal amount of the Refunding Bonds of \$ _____, plus/minus original issue premium/discount in the amount of \$ _____, less an Underwriter’s discount in the amount of \$ _____).

The Bonds are being issued in the aggregate principal amount of \$ _____. The Bonds shall bear interest at the rates and shall mature in the years shown on Appendix A hereto, which is incorporated herein by this reference.

The District acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the District and the Underwriter, (ii) in connection therewith and with the discussion, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of or a financial advisor to the District, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the District with respect to (x) the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the District on other matters) or (y) any other obligation of the District, except the obligations expressly set forth in this Purchase Contract and (iv) the District has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the offering of the Bonds. The District acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the Municipal Securities Rulemaking Board (the "MSRB").

The net proceeds of the Series B Bonds will be used to finance the acquisition, construction and modernization projects approved by the voters, as authorized at an election held within the District on November 4, 2014. The net proceeds of the Refunding Bonds will be used to refund a portion of the outstanding principal amount of the District's 2014 General Obligation Refunding Bonds (such portion, the "Refunded Bonds").

2. The Bonds. The Series B Bonds shall be issued pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law") and authorized by a resolution of the Governing Board of the District, adopted on [September 26, 2018] (the "Series B Resolution"). The Refunding Bonds shall be issued pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Refunding Bond Law") and by a resolution of the Governing Board of the District, adopted on [September 26, 2018] (the "Refunding Resolution" and, together with the Series B Resolution, the "Resolutions"). The Bonds shall be dated the date of their delivery and be payable as set forth and otherwise described in the Resolutions and in this Purchase Contract, including in Appendix A hereto. The Bonds shall otherwise be as described in the Preliminary Official Statement of the District with respect to the Bonds, dated [October __, 2018] (together with the cover page, inside cover page, any documents incorporated therein by reference, and all appendices, exhibits, maps, reports and statements included therein or attached thereto, the "Preliminary Official Statement").

The Bonds shall be executed and delivered under and in accordance with the provisions of the Resolutions and the applicable provisions of California law. The Bonds shall be in book-entry form, shall bear CUSIP numbers, shall be in fully registered form initially, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC").

3. Establishment of Issue Price.

(a) The Underwriter agrees to assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at Closing an “issue price” or similar certificate substantially in the form attached hereto as Appendix B, together with the supporting pricing wires or equivalent communications, with modifications to such certificate as may be deemed appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel (defined herein), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

(b) [Except for the maturities set forth in Appendix A attached hereto,] the District will treat the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test).

(c) [The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the final official statement. Appendix A sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the District or the District’s municipal advisor when the Underwriter has sold 10% of that maturity of the Bonds to the public at [a price] that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

The District acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) in the event that the Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The District further acknowledges that the Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold the offering price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its agreement regarding the hold-the-offering-price rule as applicable to the Bonds.]

(d) The Underwriter confirms that (i) each retail distribution agreement (to which the Underwriter is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter and as set forth in the related pricing wires, and

(ii) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date of execution of this Purchase Contract by all parties.

4. Redemption. The Bonds shall be subject to redemption as provided in the Resolutions and as set forth in Appendix A hereto.

5. Use of Documents. The District hereby authorizes the Underwriter to use, in connection with the offer and sale of the Bonds, this Purchase Contract, the Resolutions, an Official Statement (defined below), a Continuing Disclosure Certificate to be entered into by the District (the “Continuing Disclosure Certificate”), those certain Irrevocable Refunding Instructions, (the “Refunding Instructions”) to be given by the District to The Bank of New York Mellon Trust Company, N.A. (the “Escrow Agent”) related to the Refunded Bonds, that certain Costs of Issuance Costs of Issuance Custodian Agreement (the “Costs of Issuance Custodian Agreement”) to be entered into by and between the District and The Bank of New York Mellon Trust Company, N.A., a national banking association (the “Paying Agent”), and all information contained herein

and therein and all of the documents, certificates, or statements furnished by the District to the Underwriter in connection with the transactions contemplated by this Purchase Contract.

6. Public Offering of the Bonds. The Underwriter agrees to make a bona fide public offering of all the Bonds at the initial public offering price or yield to be set forth on the inside cover page of the Official Statement. Subsequent to such initial public offering, the Underwriter reserves the right to change such initial public offering price or yield as it deems necessary in connection with the marketing of the Bonds.

7. Review of the Official Statement. The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, including the cover page, inside cover page and appendices thereto. The District represents that it deems the Preliminary Official Statement to be final, except for either revisions or additions to the offering price(s), interest rate(s), yield(s) to maturity, Underwriter's discount, aggregate principal amount, principal amount per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities and Exchange Act of 1934, as amended (the "Rule").

The Underwriter agrees that prior to the time the final Official Statement relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first-class mail or electronic distribution (or other equally prompt means) not later than the first business day following the date upon which each such request is received. The District shall provide evidence to the Underwriter that it has deemed the Preliminary Official Statement final as of its date, in accordance with the provisions of the Rule. The Preliminary Official Statement has been prepared for use by the Underwriter in connection with the public offering, sale and distribution of the Bonds.

8. Closing. At 8:30 a.m., California Time, on November____, 2018, or at such other time or on such other date as shall have been mutually agreed upon by the District and the Underwriter (the "Closing"), the District will deliver to the Underwriter, through the facilities of DTC in New York, New York, or at such other place as the District and the Underwriter may mutually agree upon, the Bonds in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and at the offices of Jones Hall, A Professional Law Corporation ("Bond Counsel"), in San Francisco, California, the other documents hereinafter mentioned, and the Underwriter will accept such delivery and pay the purchase price thereof set forth in Section 1 hereof in immediately available funds by check, draft or wire transfer to or upon the order of the District.

9. Representations, Warranties and Agreements of the District. The District hereby represents, warrants and agrees with the Underwriter that:

(a) Due Organization. The District is a community college district duly organized and validly existing under the laws of the State of California (the "State"), with the full legal right, power and authority to issue the Series B Bonds pursuant to the Bond Law and the Series B Resolution and the Refunding Bonds pursuant to the Refunding Bond Law and the

Refunding Resolution, and to observe and perform the District's covenants and agreements contained herein and therein.

(b) Due Authorization. (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the District has full legal right, power and authority to enter into this Purchase Contract, the Continuing Disclosure Certificate, the Refunding Instructions, and the Costs of Issuance Custodian Agreement, to adopt the Resolutions, to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions contemplated by this Purchase Contract, the Costs of Issuance Custodian Agreement and the Resolutions; (iii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Bonds, the Resolutions, the Refunding Instructions, the Costs of Issuance Custodian Agreement, the Continuing Disclosure Certificate and this Purchase Contract have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) the Resolutions have not been amended, modified or rescinded and all representations of the District set forth in the Resolutions are true and correct; (v) this Purchase Contract, the Continuing Disclosure Certificate, the Refunding Instructions and the Costs of Issuance Custodian Agreement, assuming the due authorization and execution by the other parties thereto, constitute valid and legally binding obligations of the District; and (vi) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Contract and the Resolutions.

(c) Consents. No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any person, organization, court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby. The District gives no representation or warranty with regard to compliance with Blue Sky or similar securities requirements.

(d) Internal Revenue Code. The District has complied with the requirements of the Internal Revenue Code of 1986, as amended, applicable to the Bonds.

(e) No Conflicts. The issuance of the Bonds, and the execution, delivery and performance of this Purchase Contract, the Resolutions, the Continuing Disclosure Certificate, the Refunding Instructions, the Costs of Issuance Custodian Agreement and the Bonds, and the compliance with the provisions hereof, do not conflict with or constitute on the part of the District a violation of or material default under the Constitution of the State of California or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a material default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject.

(f) Litigation. As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the District, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices of the District or of the titles of the officials of the District to such offices; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, or the collection or levy of any

taxes contemplated by the Resolutions or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Contract, the Continuing Disclosure Certificate, the Refunding Instructions, the Costs of Issuance Custodian Agreement or the Resolutions, contesting the powers of the District or the Resolutions or this Purchase Contract or the entitlement of the officers of the District who have signed the Bonds and the various certificates and agreements of the District relating to the issuance and sale of Bonds, to their respective offices; or (iii) in which a final adverse decision could (a) materially adversely affect the operations or financial condition of the District or the consummation of the transactions contemplated by this Purchase Contract, the Continuing Disclosure Certificate, the Refunding Instructions, the Costs of Issuance Custodian Agreement or the Resolutions, (b) declare this Purchase Contract to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes and the exemption of such interest from California personal income taxation.

(g) No Other Debt. Between the date hereof and the date of the Closing, without the prior written consent of the Underwriter, the District will not have issued, nor will the County of San Mateo have issued in the name and on behalf of the District, any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement.

(h) Certificates. Except as specifically provided therein, any certificates signed by any officer of the District and delivered to the Underwriter shall be deemed a representation and warranty by the District to the Underwriter, but not by the person signing the same, as to the statements made therein.

(i) Continuing Disclosure. The District shall undertake, pursuant to the Resolutions and the Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement. Based on a review of its prior undertakings under the Rule, and except as otherwise disclosed in the Official Statement, during the past five years, the District has complied with its previous undertakings with regard to said Rule to provide annual reports or notices of material events, except as set forth in the Official Statement.

(j) Official Statement Accurate and Complete. The Preliminary Official Statement, as of the date thereof, did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. As of the date hereof and at the date of the Closing, the final Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The District makes no representation or warranty as to the information contained in or omitted from the Preliminary Official Statement or the final Official Statement in reliance upon and in conformity with information furnished in writing to the District by or on behalf of the Underwriter through a representative of the Underwriter specifically for inclusion therein.

The District agrees that, for a period until 25 days after the End of the Underwriting Period (as defined below), if any event of which it has actual knowledge occurs which might cause the information in the Official Statement as then in existence to contain any untrue or misleading statement of a material fact or omit to state any fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which such statements were made, not misleading, the District shall promptly notify the Underwriter in writing of the circumstances and details of such event. If, as a result of such event or any other event, it is necessary, in the reasonable judgment of the Underwriter, to amend or supplement the Official Statement so that the Official Statement does not contain any untrue or misleading statement of a material fact or omit to state any fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which such statements were made, not misleading, and if the Underwriter shall have so advised the District, the District shall forthwith cooperate with the Underwriter in the prompt preparation and furnishing to the Underwriter, at the expense of the District, of a reasonable number of copies of an amendment of or a supplement to the Official Statement, in form and substance satisfactory to the Underwriter, which will so amend or supplement the Official Statement so that, as amended or supplemented, it conforms with the foregoing standards. The District shall promptly advise the Underwriter of the commencement of any action, suit, proceeding, inquiry or investigation seeking to prohibit, restrain or otherwise affect the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

For purposes of this Purchase Contract, the “End of the Underwriting Period” for the Bonds shall mean the earlier of (a) the Closing unless the District has been notified in writing by the Underwriter, on or prior to the Closing, that the “end of the underwriting period” for the Bonds for all purposes of the Rule will not occur on the Closing, or (b) the date on which notice is given to the District pursuant to clause (a) above that the “end of the underwriting period” for the Bonds will not occur on the Closing, the Underwriter agrees to notify the District in writing as soon as practicable following the “end of the underwriting period” for the Bonds for all purposes of the Rule.

(k) No Material Adverse Change. The financial statements of, and other financial information regarding the District in the Preliminary Official Statement and to be included in the Official Statement fairly present and will present the financial position and results of the District as of the dates and for the periods therein set forth. Prior to the Closing Date, there will be no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the District.

(l) No Default. The District is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the state of California or the United States relating to the issuance of the Bonds or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, and no event which would have a material and adverse effect upon the financial condition of the District has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a default or event of default by the District under any of the foregoing.

10. Covenants of the District. The District covenants and agrees with the Underwriter that:

(a) Securities Laws. The District will furnish such information, execute such instruments, and take such other action in cooperation with, and at the expense of, the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions; provided, however, that the District shall not be required to consent to service of process in any jurisdiction in which they are not so subject as of the date hereof;

(b) Official Statement. The District hereby agrees to deliver or cause to be delivered to the Underwriter, by the earlier of (i) the seventh (7th) business day following the date this Purchase Contract is signed or (ii) the date prior to the date of Closing, copies of a final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter and the District (such Official Statement with such changes, if any, and including the cover page, the inside cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto being called the "Official Statement") in such reasonable quantities as may be requested by the Underwriter not later than five (5) business days following the date this Purchase Contract is signed, in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB. The District hereby authorizes the Underwriter to use and distribute the Official Statement in connection with the offering and sale of the Bonds;

(c) Subsequent Events. The District hereby agrees to notify the Underwriter of any event or occurrence that may affect the accuracy or completeness of any information set forth in the official Statement relating to the District until the date which is ninety (90) days following the Closing;

(d) Amendments to Official Statement. For a period of ninety (90) days after the End of the Underwriting Period (as determined in accordance with Section 9(j) hereof), the District will not adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Underwriter shall reasonably object in writing or which shall be disapproved by the Underwriter; and if any event relating to or affecting the District shall occur as a result of which it is necessary, in the opinion of the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in light of the circumstances existing at the time it is delivered to a purchaser of Bonds, the Underwriter shall forthwith prepare and furnish (at the expense of the District) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading;

(e) Consents and Approvals. After due inquiry, except as may be required under blue sky or other securities laws of any state, or with respect to any permits, consents or approval theretofore received which are in full force and effect or the requirement for which is otherwise disclosed in the Official Statement, there is no consent, approval, authorization or other

order of, or filing with, or certification by, any governmental authority, board, agency or commission or other regulatory authority having jurisdiction over the District, other than the Board of Trustees, required for the adoption of the Resolutions and execution and delivery of this Purchase Contract, the Continuing Disclosure Certificate, the Refunding Instructions, or the Costs of Issuance Custodian Agreement or the consummation by the District of the transactions contemplated by this Purchase Contract, the Resolutions, the Continuing Disclosure Certificate, the Refunding Instructions, the Costs of Issuance Custodian Agreement or the Official Statement; and

(f) Application of Proceeds. The District will apply the proceeds from the sale of the Bonds as described in the Official Statement.

11. Conditions to Closing. The Underwriter has entered into this Purchase Contract in reliance upon the representations and warranties of the District contained herein and the performance by the District of its obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriter's obligations under this Purchase Contract are and shall be subject at the option of the Underwriter, to the following further conditions at the Closing:

(a) Representations True. The representations and warranties of the District contained herein shall be true, complete and correct in all material respects at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete and correct in all material respects on the date of the Closing, and the District shall be in compliance with each of the agreements made by it in this Purchase Contract;

(b) Obligations Performed. At the time of the Closing, (i) the Official Statement, this Purchase Contract, the Continuing Disclosure Certificate, the Refunding Instructions, the Costs of Issuance Custodian Agreement, and the Resolutions shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter; (ii) all actions under the Bond Law and Refunding Bond Law which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) the District shall perform or have performed all of its obligations required under or specified in the Resolutions, the Refunding Instructions, the Costs of Issuance Custodian Agreement, this Purchase Contract or the Official Statement to be performed at or prior to the Closing;

(c) Adverse Rulings. No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Contract (and not reversed on appeal or otherwise set aside), or to the best knowledge of the District, pending or threatened which has any of the effects described in Section 9(f) hereof or contesting in any way the completeness or accuracy of the Official Statement;

(d) Marketability Between the Date Hereof and the Closing. The market price or marketability or the ability of the Underwriter to enforce contracts for the sale of the Bonds, at the initial offering prices or yields of the Bonds set forth in the Official Statement, shall not have been materially adversely affected, in the reasonable judgment of the Underwriter (evidenced by

a written notice to the District terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds) by reason of any of the following:

(1) legislation enacted by Congress, or a decision rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(i) by or on behalf of the United States Treasury Department or by or on behalf of the Internal Revenue Service, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of federal income taxation of the interest received by the owners of the Bonds; or

(ii) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended;

(2) the declaration of war or engagement in major military hostilities by the United States or the occurrence of any other national emergency or calamity relating to the effective operation of the government or the financial markets in the United States;

(3) the declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;

(4) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or obligations of the general character of the Bonds, or securities generally, or the material increase of any such restrictions now in force;

(5) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;

(6) the withdrawal or downgrading of any rating of the District's outstanding indebtedness by a national rating agency; or

(7) any event occurring, or information becoming known which makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or

necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(e) Delivery of Documents. At or prior to the date of the Closing, the Underwriter shall receive copies of the following documents in each case dated as of the date of the Closing and satisfactory in form and substance to the Underwriter:

(1) Bond Opinion and Reliance Letter. An approving opinion of Bond Counsel, as to the validity and tax status of the Bonds, dated the date of the Closing, addressed to the District and in the form appended to the final Official Statement as Appendix C, together with a reliance letter from Bond Counsel to the effect that the Underwriter may rely upon the approving opinion described above;

(2) Supplemental Opinion. A supplemental opinion of Bond Counsel, dated the date of the Closing and addressed to the District and the Underwriter, to the effect that:

(i) the description of the Bonds and the security for the Bonds and statements in the Official Statement on the cover page thereof and under the captions “INTRODUCTION,” “THE BONDS”, “CONTINUING DISCLOSURE”, “THE FINANCING PLAN”, “SECURITY FOR THE BONDS” and “TAX MATTERS,” to the extent they expressly summarize certain provisions of the Bonds, the Resolutions, the Continuing Disclosure Certificate and the form and content of Bond Counsel’s approving opinion with respect to the treatment of interest on the Bonds under California and federal law, fairly and accurately summarize the matters purported to be summarized therein; provided that Bond Counsel need not express any opinion with respect to any financial or statistical data, or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, DTC or information related to its book-entry only system, or Appendices A, B, E or F thereto;

(ii) the Continuing Disclosure Certificate, the Refunding Instructions, and this Purchase Contract have each been duly authorized, executed and delivered by the District and, assuming the due authorization, execution and delivery by the other parties thereto, and constitute legal, valid and binding agreements of the District are enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors’ rights and except as such enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases if equitable remedies are sought and by the limitations on legal remedies against public agencies in the State of California; and

(iii) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolutions are exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended;

(3) Defeasance Opinion. A defeasance opinion of Bond Counsel, addressed to the District and the Underwriter, with respect to the defeasance of the Refunded Bonds;

(4) Disclosure Counsel Assurance Letter. A letter of Jones Hall, A Professional Law Corporation, dated the date of Closing and addressed to the District, substantially to the effect that based on such counsel's participation in conferences with representatives of the Underwriter, the financial advisor to the District, the District and others, during which conferences the contents of the Official Statement and related matters were discussed, and in reliance thereon and on the records, documents, certificates and opinions described therein, such counsel advises the District, as a matter of fact and not opinion, that during the course of its engagement as Disclosure Counsel no information came to the attention of such counsel's attorneys rendering legal services in connection with such representation which caused such counsel to believe that the Official Statement as of its date (except for any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, Appendices A, B, E or F, or information relating to DTC or its book-entry only system included therein, as to which such counsel need express no opinion or view) contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(5) Underwriter's Counsel Opinion. An opinion of counsel to the Underwriter, addressed to the Underwriter, in form and substance satisfactory to the Underwriter;

(6) Certificate of the District. A certificate signed by an appropriate official of the District to the effect that (i) such official is authorized to execute this Purchase Contract, the Refunding Instructions, the Costs of Issuance Custodian Agreement and the Continuing Disclosure Certificate (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of the Closing, (iii) the District has complied with all the terms of the Resolutions and this Purchase Contract to be complied with by the District prior to or concurrently with the Closing and, as to the District, such documents are in full force and effect, (iv) such official has reviewed the Official Statement and on such basis certifies that the Official Statement does not contain any untrue statement of a material fact required to be stated therein or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, (v) the Bonds being delivered on the date of the Closing to the Underwriter under this Purchase Contract substantially conform to the descriptions thereof contained in the Resolutions, and (vi) no further consent is required for inclusion of the District's audited financial statements in the Official Statement;

(7) Tax Certificate. A tax and nonarbitrage certificate of the District in form satisfactory to Bond Counsel with respect to the Bonds;

(8) District Resolutions. A certificate signed by an appropriate official of the District, together with fully executed copies of the Resolutions, to the effect that:

(i) such copies are true and correct copies of the Resolutions;
and

(ii) the Resolutions were duly adopted at a meeting duly noticed at which a quorum was present and acting throughout, and have not been modified, amended, rescinded or revoked and are in full force and effect on the date of the Closing;

(9) Official Statement. Certificates of the appropriate officials of the District evidencing their determinations respecting the Preliminary Official Statement in accordance with the Rule;

(10) Continuing Disclosure Certificate. The Continuing Disclosure Certificate, duly executed by the District;

(11) Receipt. The receipt of the Paying Agent for the deposit of amounts set aside to pay costs of issuance, as described in Section 13 below;

(12) Copies of Documents. Executed copies of the Costs of Issuance Custodian Agreement, the Refunding Instructions, this Purchase Contract and the Official Statement;

(13) Certificate of Paying Agent and Escrow Agent. A certificate of the Paying Agent and Escrow Agent, dated the date of the Closing, that as of the date of the Closing: (a) the Paying Agent and Escrow Agent is duly organized and existing as a national banking association under the laws of the United States of America, in good standing under the laws of the United States of America, and has the full power and authority to enter into and perform its duties under the Resolutions, the Refunding Instructions, and the Costs of Issuance Custodian Agreement; (b) the Paying Agent and Escrow Agent is duly authorized to accept and perform its duties under the Resolutions and enter into Costs of Issuance Custodian Agreement and Refunding Instructions; (c) the Costs of Issuance Custodian Agreement and Refunding Instructions have been duly authorized, executed and delivered by the Paying Agent and Escrow Agent, and assuming due authorization, execution and delivery by the District, constitute the legal, valid and binding obligations of the Paying Agent and Escrow Agent, each enforceable in accordance with its terms; (d) the execution and delivery by the Paying Agent of the Costs of Issuance Custodian Agreement and the Escrow Agent of the Refunding Instructions, and the acceptance and performance of the Paying Agent and Escrow Agent's duties under the Resolutions, and compliance with the terms thereof, will not, in any material respect, conflict with, or result in a violation or breach of, or constitute a default under, any material agreement or material instrument to which the Paying Agent and Escrow Agent is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Paying Agent and Escrow Agent or any of its activities or properties, which conflict, breach or default would materially

adversely affect the ability of the Paying Agent and Escrow Agent to perform its obligations under the Resolutions, the Costs of Issuance Custodian Agreement or the Refunding Instructions, (e) exclusive of federal or state securities laws and regulations, other than routine filings required to be made with governmental agencies in order to preserve the Paying Agent and Escrow Agent's authority to perform a trust business (all of which routine filing, to the best of the Paying Agent and Escrow Agent's knowledge, have been made), no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Paying Agent and Escrow Agent is or will be required for the execution and delivery by the Paying Agent of the Costs of Issuance Custodian Agreement or by the Escrow Agent of the Refunding Instructions or the acceptance and performance of the Paying Agent and Escrow Agent's duties under the Resolutions; and (f) to the Paying Agent and Escrow Agent's knowledge, there is no litigation pending or threatened against or affecting the Paying Agent and Escrow Agent to restrain or enjoin the Paying Agent and Escrow Agent's participation in, or in any way contesting the powers of the Paying Agent and Escrow Agent with respect to the transactions contemplated by the Resolutions, the Costs of Issuance Custodian Agreement and the Refunding Instructions;

(14) Verification Report. A report and opinion of [_____] with respect to the sufficiency of the defeasance securities, together with interest and earnings thereon and any cash held uninvested, deposited pursuant to the Refunding Instructions to refund the Refunded Bonds as provided in the Refunding Instructions;

(15) Required Filings. Evidence of the preparation and/or filing of the Initial and Final Report of Sale with the California Debt and Investment Advisory Commission and Form 8038-G with the Internal Revenue Service;

(16) Ratings. Evidence that the Bonds have been rated "[____]" by Moody's Investors Service and "[____]" by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, and that such ratings have not been withdrawn or downgraded; and

(17) Other Documents. Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter may reasonably request to evidence compliance (i) by the District with legal requirements, (ii) the truth and accuracy, as of the time of the Closing, of the representations of the District herein contained, (iii) the truth and accuracy, as of the time of the Closing, of the Official Statement and (iv) the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

(f) Termination. Notwithstanding anything to the contrary herein contained, if for any reason whatsoever the Bonds shall not have been delivered by the District to the Underwriter prior to the close of business, California Time, on November ____, 2018, then the obligation to purchase Bonds hereunder shall terminate and be of no further force or effect.

If the District shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Contract or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be canceled by the Underwriter at, or at any time prior to, the time of the Closing. Notice of such cancellation shall be given to the District in writing or by telephone or telegraph, confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter in writing at its sole discretion.

12. Conditions to Obligations of the District. The performance by the District of its obligations is conditioned upon (i) the performance by the Underwriter of its obligations hereunder; and (ii) receipt by the District and the Underwriter of the opinions and certificates being delivered at the Closing by persons and entities other than the District.

13. Costs and Expenses. Pursuant to the Costs of Issuance Custodian Agreement, the District shall cause the Paying Agent to pay all costs and expenses incurred in the issuance and sale of the Bonds, including but not limited to the fees and expenses of Bond Counsel, Disclosure Counsel and the financial advisor, the fees of rating agencies, the fees of the verification agent, the Escrow Agent, the cost of the printing and distribution of the Official Statement, initial fees and expenses of the Paying Agent and meal, transportation, lodging, entertainment and deal memento expenses of its own officials and employees.

All out-of-pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, fees of Underwriter's counsel, travel and other expenses (except as provided above), shall be paid by the Underwriter.

14. Notices. Any notice or other communication to be given under this Purchase Contract (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the District, to the Vice Chancellor, Business Services, San Mateo County Community College District, 3401 CSM Drive, San Mateo, California 94402 or if to the Underwriter, Morgan Stanley & Co. LLC, 555 California Street, Suite 2200, San Francisco, CA 94104, Attention: John Sheldon.

15. Parties in Interest; Survival of Representations and Warranties. This Purchase Contract when accepted by the District in writing as heretofore specified shall constitute the entire agreement among the District and the Underwriter. This Purchase Contract is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter). No person shall acquire or have any rights hereunder or by virtue hereof. All the representations, warranties and agreements of the District in this Purchase Contract shall survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Bonds hereunder, and (c) any termination of this Purchase Contract.

16. Severability. In the event any provision of this Purchase Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

17. Nonassignment. Notwithstanding anything stated to the contrary herein, neither party hereto may assign or transfer its interest herein, or delegate or transfer any of its obligations hereunder, without the prior written consent of the other party hereto.

18. Entire Agreement. This Purchase Contract, when executed by the parties hereto, shall constitute the entire agreement of the parties hereto (including their permitted successors and assigns, respectively).

19. Execution in Counterparts. This Purchase Contract may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document

20. Applicable Law. This Purchase Contract shall be interpreted, governed and enforced in accordance with the law of the State of California applicable to contracts made and performed in such State.

[Remainder of Page Intentionally Left Blank]

Respectfully submitted,

MORGAN STANLEY & CO. LLC

By: _____
Authorized Officer

Accepted: November ____, 2018

SAN MATEO COUNTY COMMUNITY
COLLEGE DISTRICT

By: _____
Executive Vice Chancellor

APPENDIX A

Maturity Schedule

**SAN MATEO COUNTY
COMMUNITY COLLEGE DISTRICT
(County of San Mateo, California)**

\$ _____ \$ _____
2018 General Obligation Bonds **2018 General Obligation**
(Election of 2014), Series B **Refunding Bonds**

<u>Maturity Date</u> (September 1)	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP</u> (799038)	<u>Applicable</u> <u>Issue Price</u> <u>Rule</u>
---------------------------------------	-----------------------------------	--------------------------------	--------------	--------------	--------------------------	--

1

Redemption Provisions

Optional Redemption. The Series B Bonds maturing on or before September 1, 20__ are not subject to redemption prior to their respective maturity dates. The Series B Bonds maturing on or after September 1, 20__, are subject to redemption prior to their stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date on or after September 1, 20__, at a redemption price equal to the principal amount of the Series B Bonds called for redemption, without premium, together with interest accrued thereon to the date of redemption.

The Refunding Bonds maturing on or before September 1, 20__ are not subject to redemption prior to their respective maturity dates. The Refunding Bonds maturing on or after September 1, 20__, are subject to redemption prior to their stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date on or after September 1, 20__, at a redemption price equal to the principal amount of the Refunding Bonds called for redemption, without premium, together with interest accrued thereon to the date of redemption

Mandatory Sinking Fund Redemption. The Series B Bonds maturing on September 1, 20__ (the “Series B Term Bonds”) are subject to mandatory sinking fund redemption in part by lot in accordance with the schedules set forth below. The Series B Bonds so called for mandatory sinking fund redemption shall be redeemed at the principal amount of such Series B Term Bonds to be redeemed, plus accrued but unpaid interest, without premium.

Series B Term Bonds Maturing September 1, 20__

Mandatory Sinking Fund Redemption Date	Principal Amount to be Redeemed
---	---------------------------------------

† Maturity.

The Refunding Bonds maturing on September 1, 20__ (the “Refunding Term Bonds” and, together with the Series B Term Bonds, the “Term Bonds”) are subject to mandatory sinking fund redemption in part by lot in accordance with the schedules set forth below. The Refunding Bonds so called for mandatory sinking fund redemption shall be redeemed at the principal amount of such Refunding Term Bonds to be redeemed, plus accrued but unpaid interest, without premium.

Refunding Term Bonds Maturing September 1, 20__

<u>Mandatory Sinking Fund Redemption Date</u>	<u>Principal Amount to be Redeemed</u>
---	--

† Maturity.

If any such Term Bonds are redeemed pursuant to optional redemption, the total amount of all future sinking fund payments with respect to such Term Bonds shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such payments on a pro rata basis in integral multiples of \$5,000 principal amount (or on such other basis as the District may determine) as set forth in written notice given by the District to the Paying Agent.

APPENDIX B

FORM OF ISSUE PRICE CERTIFICATE

**SAN MATEO COUNTY
COMMUNITY COLLEGE DISTRICT
(County of San Mateo, California)**

\$ _____
**2018 General Obligation Bonds
(Election of 2014), Series B**

\$ _____
**2018 General Obligation
Refunding Bonds**

The undersigned, on behalf of Morgan Stanley & Co. LLC (the “Underwriter”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. Sale of the 10% Maturities. As of the date of this Certificate, for each Maturity of the 10% Maturities, the first price at which a Substantial Amount of such Maturity of the 10% Maturities was sold to the Public is the respective price listed in Schedule A.

2. Initial Offering Price of the Undersold Maturities.

(a) The Underwriter offered the Undersold Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this Certificate as Schedule B.

(b) As set forth in the Purchase Contract, the Underwriter has agreed in writing that, for each Maturity of the Undersold Maturities, it would neither offer nor sell any of the unsold Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Offering Period for such Maturity, nor would it permit a related party to do so. Pursuant to such agreement, the Underwriter has neither offered nor sold any unsold bonds in a Maturity of the Undersold Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Offering Period.

3. Defined Terms.

(a) *10% Maturities* means those Maturities of the Bonds shown in Schedule A hereto as the “10% Maturities.”

(b) *Issuer* means San Mateo County Community College District.

(c) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(d) *Offering Period* means, with respect to an Undersold Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date

([November ___, 2018]), or (ii) the date on which the Underwriter has sold a Substantial Amount of such Undersold Maturity to the Public at a price that is no higher than the Initial Offering Price for such Undersold Maturity.

(e) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than a Regulatory Underwriter or a related party to a Regulatory Underwriter. The term “related party” for purposes of this Certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(f) *Regulatory Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [November ___, 2018].

(h) *Substantial Amount* means ten percent.

(i) *Undersold Maturities* means those Maturities of the Bonds shown in Schedule A hereto as the “Undersold Maturities.”

We have performed these calculations with the express understanding and agreement of Bond Counsel and the Issuer that, notwithstanding the performance of these calculations and the delivery of this letter: (i) in doing so we are not acting as a Municipal Advisor (as defined in Section 15B of the Securities Exchange Act); (ii) we do not have a fiduciary duty to the Issuer, and (iii) we are not to be construed as a “paid preparer” of any tax returns of the Issuer, including specifically (but not limited to) Form 8038-G.

In performing the above calculations, we remind you that we are not accountants or actuaries, nor are we engaged in the practice of law. Accordingly, while we believe the calculations described above to be correct, we do not warrant them to be so, nor do we warrant their validity for purposes of the Internal Revenue Code of 1986, as amended.

The representations set forth in this certificate are limited to factual matters only. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein. Nothing in this certificate represents the Representative's interpretation of any laws. The Underwriter understands that the Issuer will rely on the foregoing certifications in its certificates as to tax matters, including arbitrage, under the Internal Revenue Code of 1986, as amended, and Bond Counsel will rely on the foregoing certifications in rendering its opinion on the exclusion from federal gross income of the interest on the Bonds and the exemption from certain taxes of the Bonds and the interest thereon.

MORGAN STANLEY & CO. LLC
as Underwriter

By: _____

Name: _____

Dated: [November ___, 2018]

SCHEDULE A

SCHEDULE B

BOARD REPORT NO. 18-9-103B

TO: Members of the Board of Trustees
FROM: Ron Galatolo, Chancellor
PREPARED BY: Kathy Blackwood, Executive Vice Chancellor, 358-6869

**ADOPTION OF RESOLUTION NO. 18-25 AUTHORIZING THE ISSUANCE AND SALE
OF 2018 GENERAL OBLIGATION REFUNDING BONDS IN AN AGGREGATE
PRINCIPAL AMOUNT NOT TO EXCEED \$65,000,000**

In 2014 the District issued its 2014 General Obligation Refunding Bonds, and in 2015 issued its Election of 2014 General Obligation Bonds, Series A. The District can now refinance certain maturities of those issuances in new refunding bond issues to provide savings for taxpayers.

Certain of these maturities are currently callable, and certain are not callable until 2019. The Resolution authorizes a District Representative to determine whether to also issue a taxable series of refunding bonds or a forward delivery series of refunding bonds, or to leave the maturity that is not currently callable outstanding. This Resolution authorizes the Refunding Bonds in one or more series, as tax-exempt or taxable bonds, and as standard delivery or forward delivery bonds.

Along with the Resolution, the following documents are attached to this report:

- Escrow Agreement/Irrevocable Refunding Instructions
- Forward Delivery Bond Purchase Agreement

RECOMMENDATION

It is recommended that the Board adopt Resolution No. 18-25.

RESOLUTION NO. 18-25

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE SAN MATEO
COUNTY COMMUNITY COLLEGE DISTRICT AUTHORIZING THE
ISSUANCE AND SALE OF 2018 GENERAL OBLIGATION REFUNDING
BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED
\$65,000,000**

Adopted September 26, 2018

RESOLUTION NO. 18-25

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF 2018 GENERAL OBLIGATION REFUNDING BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$65,000,000

RESOLVED, by the Board of Trustees (the “Board”) of the San Mateo County Community College District (the “District”), as follows:

WHEREAS, the District has previously issued the following General Obligation Bonds, certain maturities of which are currently outstanding (collectively, the “Prior Bonds”):

- San Mateo County Community College District (County of San Mateo, California) 2014 General Obligation Refunding Bonds, issued on October 9, 2014, in the aggregate principal amount of \$121,805,000 (the “2014 Refunding Bonds”); and
- San Mateo County Community College District (County of San Mateo, California) 2015 General Obligation Bonds (Election of 2014), Series A, issued June 18, 2015, in the aggregate original principal amount of \$127,000,000 (the “2015 Series A Bonds”).

WHEREAS, the Board has determined at this time to issue and sell its San Mateo County Community College District 2018 General Obligation Refunding Bonds in an aggregate principal amount not to exceed \$65,000,000 (the “Refunding Bonds”) for the purpose of refunding certain maturities of the outstanding Prior Bonds (such maturities, the “Refunded Bonds”), in whole or in part, and thereby realizing financial savings to the property taxpayers of the District; and

WHEREAS, the Board is authorized to provide for the issuance and sale of the Refunding Bonds under the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53550 of said Code (the “Bond Law”); and

WHEREAS, the Board has determined at this time to authorize the issuance and sale of the Refunding Bonds pursuant to this resolution, in one or more series, delivered on a standard or forward delivery basis, and as bonds that are federally tax-exempt or taxable, in order to comply with the requirements of the Internal Revenue Code of 1986; and

WHEREAS, in accordance with California Government Code Section 5852.1, the Board has obtained and disclosed the information set forth in Appendix B hereto; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the San Mateo County Community College District as follows:

ARTICLE I

DEFINITIONS; AUTHORITY

Section 1.01. Definitions. The terms defined in this Section 1.01, as used and capitalized herein, shall, for all purposes of this Resolution, have the meanings ascribed to them below, unless the context clearly requires some other meaning.

“**Articles**,” “**Sections**” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Resolution, and the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Resolution as a whole and not to any particular Article, Section or subdivision hereof.

“**Board**” means the Board of Trustees of the District.

“**Bond Counsel**” means (a) the firm of Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys nationally recognized for expertise in rendering opinions as to the legality and tax exempt status of securities issued by public entities.

“**Bond Law**” means Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, as amended from time to time.

“**Bond Purchase Agreement**” means one or more Bond Purchase Agreements between the District and the Underwriter, under which the Underwriter agrees to purchase the Standard Delivery Refunding Bonds and pay the purchase price therefor.

“**Bond Year**” means the one-year period beginning on September 2 in each year and ending on the next succeeding September 1; except that the first Bond Year begins on the Closing Date and ends on September 1, 2019 with respect to the Standard Delivery Refunding Bonds, and begins on the Settlement Date and ends on September 1, 2020 with respect to the Forward Delivery Refunding Bonds.

“**Closing Date**” means the date upon which there is a physical delivery of the Standard Delivery Refunding Bonds in exchange for the amount representing the purchase price of the Standard Delivery Refunding Bonds by the Underwriter.

“**Continuing Disclosure Certificate**” means the Continuing Disclosure Certificate which is executed and delivered by a District Representative.

“**Controller**” means the Controller of the County.

“**Costs of Issuance**” means all items of expense directly or indirectly payable by or reimbursable to the District and related to the authorization, issuance, sale and delivery of the Refunding Bonds and the refunding of the Refunded Bonds, including but not limited to the costs of preparation and reproduction of documents, printing expenses, filing and recording fees, initial fees and charges of the Paying Agent and its counsel, legal fees and charges, fees and disbursements of consultants and professionals, rating agency fees, title insurance premiums, fees and charges for preparation, execution and safekeeping of the Refunding Bonds and any other cost, charge or fee in connection with the original issuance of the Refunding Bonds and the refunding of the Refunded Bonds.

“County” means the County of San Mateo, a political subdivision of the State of California, duly organized and existing under the Constitution and laws of the State of California.

“County Treasurer” means the Treasurer-Tax Collector of the County.

“Debt Service” means the scheduled amount of interest and amortization of principal on the Refunding Bonds payable on the Refunding Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

“Debt Service Fund” means the account established and held by the County under Section 4.02.

“Depository” means (a) initially, DTC, and (b) any other Securities Depository acting as Depository under Section 2.09.

“Depository System Participant” means any participant in the Depository’s book-entry system.

“District” means the San Mateo County Community College District, a community college district organized under the Constitution and laws of the State of California, and any successor thereto.

“District Representative” means the Chancellor, the Executive Vice Chancellor, the Chief Financial Officer, or any other duly appointed officer of the District authorized by the Chancellor to act as a representative of the District hereunder.

“DTC” means The Depository Trust Company, New York, New York, and its successors and assigns.

“Escrow Agent” means The Bank of New York Mellon Trust Company, N.A., in its capacity as escrow agent for refunding and defeasance of the Refunded Bonds.

“Escrow Agreement” means each of one or more Escrow Deposit and Trust Agreements, dated as of the Closing Date or as of the Settlement Date, between the District and the Escrow Agent, relating to the refunding and discharge of the Refunded Bonds.

“Federal Securities” means United States Treasury notes, bonds, bills or certificates of indebtedness or those securities for which the faith and credit of the United States are pledged for the payment of principal and interest.

“Forward Delivery Refunding Bonds” means Refunding Bonds which are sold pursuant to the Forward Delivery Purchase Agreement and delivered on the Settlement Date,

“Forward Delivery Purchase Agreement” means the Forward Delivery Purchase Agreement between the District and the Underwriter, under which the Underwriter agrees to purchase the Forward Delivery Refunding Bonds and pay the purchase price therefor.

“Information Services” means “EMMA” or the “Electronic Municipal Market Access” system of the Municipal Securities Rulemaking Board; or, in accordance with then-current

guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the District may designate in a Written Request of the District delivered to the Paying Agent.

“Interest Payment Date” means each March 1 and September 1 during the term of the Refunding Bonds, on which interest shall be payable thereon, as set forth in the Bond Purchase Agreement.

“Outstanding,” when used as of any particular time with reference to Refunding Bonds, means all Refunding Bonds except: (a) Refunding Bonds theretofore canceled by the Paying Agent or surrendered to the Paying Agent for cancellation; (b) Refunding Bonds paid or deemed to have been paid within the meaning of Section 9.02; and (c) Refunding Bonds in lieu of or in substitution for which other Refunding Bonds have been authorized, executed, issued and delivered by the District under this Resolution.

“Owner,” whenever used herein with respect to a Refunding Bond, means the person in whose name the ownership of such Refunding Bond is registered on the Registration Books.

“Paying Agent” means The Bank of New York Mellon Trust Company, N.A., the Paying Agent appointed by the Treasurer and acting as paying agent, registrar and authenticating agent for the Refunding Bonds, its successors and assigns, and any corporation or association which may at any time be substituted in its place, as provided in Section 6.01.

“Principal Office” means the office or offices of the Paying Agent for the payment of the Refunding Bonds and the administration of its duties hereunder; the office or offices of successor Paying Agents will be identified in a written notice filed with the District by the Paying Agent.

“Prior Bonds” means each of the following issues of General Obligation Refunding Bonds which have previously been issued by the District:

- San Mateo County Community College District (County of San Mateo, California) 2014 General Obligation Refunding Bonds, issued on October 9, 2018, in the aggregate principal amount of \$121,805,000 (the “2018 Refunding Bonds”); and
- San Mateo County Community College District (County of San Mateo, California) 2015 General Obligation Bonds (Election of 2014), Series A, issued June 18, 2015, in the aggregate original principal amount of \$127,000,000 (the “2015 Series A Bonds”).

“Record Date” means the 15th day of the month preceding an Interest Payment Date, whether or not such day is a business day.

“Refunded Bonds” means those maturities of the Prior Bonds being refunded with proceeds of the Refunding Bonds.

“Refunding Bonds” means the not to exceed \$65,000,000 aggregate principal amount of San Mateo County Community College District 2018 General Obligation Refunding Bonds, issued in one or more series, at any time Outstanding under this Resolution.

“Refunding Instructions” means the Irrevocable Refunding Instructions dated as of the Closing Date, between the District and the Escrow Agent, relating to the refunding and discharge of certain of the Refunded Bonds.

“Registration Books” means the records maintained by the Paying Agent for the registration of ownership and registration of transfer of the Refunding Bonds under Section 2.08.

“Resolution” means this Resolution, as originally adopted by the Board and including all amendments hereto and supplements hereof which are duly adopted by the Board from time to time in accordance herewith.

“Securities Depositories” means DTC and, in accordance with then-current guidelines of the Securities and Exchange Commission, such other securities depositories as the District may designate in a Written Request of the District delivered to the Paying Agent.

“Settlement Date” means the date upon which there is a physical delivery of the Forward Delivery Bonds by the District in exchange for the payment of the purchase price of the Forward Delivery Bonds by the Underwriter.

“Standard Delivery Refunding Bonds” means Refunding Bonds which are sold pursuant to the Bond Purchase Agreement and delivered on the Closing Date,

“Tax Code” means the Internal Revenue Code of 1986 as in effect on the Closing Date or Settlement Date, as applicable, or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date or Settlement Date, as applicable, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under said Code.

“Tax-Exempt Refunding Bonds” means those Refunding Bonds, the interest on which is intended to be excluded from gross income for federal income tax purposes under Section 103 of the Tax Code

“Taxable Refunding Bonds” means those Refunding Bonds, the interest on which is not intended to be excluded from gross income for federal income tax purposes under Section 103 of the Tax Code.

“Underwriter” means Morgan Stanley & Co. LLC, as underwriter of the Refunding Bonds upon the negotiated sale thereof.

“Written Request of the District” means an instrument in writing signed by a District Representative or by any other officer of the District duly authorized to act on behalf of the District under a written certificate of a District Representative.

Section 1.02. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Resolution; the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Resolution as a whole and not to any particular Article, Section or subdivision hereof.

Section 1.03. Authority for this Resolution; Findings. This Resolution is entered into under the provisions of the Bond Law. The Board hereby certifies that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of the Refunding Bonds do exist, have happened or have been performed in due and regular time and manner as required by the laws of the State of California, and that the amount of the Refunding Bonds, together with all other indebtedness of the District, does not exceed any limit prescribed by any laws of the State of California.

ARTICLE II

THE REFUNDING BONDS

Section 2.01. Authorization. The Board hereby determines that prudent management of the fiscal affairs of the District requires that the District issue refunding bonds under the Bond Law and hereby authorizes the issuance of the Refunding Bonds in the aggregate principal amount of not to exceed \$65,000,000, subject to the terms of the Bond Law and this Resolution, for the purpose of providing funds to refinance the Refunded Bonds. The Refunding Bonds may be issued in one or more series, delivered on a standard or forward delivery basis, on a federally taxable and/or tax-exempt basis. This Resolution constitutes a continuing agreement between the District and the Owners of all of the Refunding Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal of and interest and premium, if any, on all Refunding Bonds which may be Outstanding hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The Refunding Bonds are designated the “San Mateo County Community College District 2018 General Obligation Refunding Bonds.” The Refunding Bonds may be issued in one or more series if a District Representative determines it would be beneficial to the District to do so.

As provided in Section 53552 of the Bond Law, the Refunding Bonds shall not be issued unless the total net interest cost to maturity on the Refunding Bonds plus the principal amount of the Refunding Bonds is less than the total net interest cost to maturity on the Refunded Bonds to be refunded plus the principal amount of the Refunded Bonds to be refunded. Before issuing the Refunding Bonds, the District shall receive confirmation from the Underwriter that the requirements of Section 53552 of the Bond Law have been satisfied.

In the event that a District Representative determines that it is in the best interests of the District to refinance less than all of the outstanding Refunded Bonds, the Refunding Bonds shall be issued for the purpose of providing funds to refinance only the specific Refunded Bonds which are designated by a District Representative.

Section 2.02. Terms of Refunding Bonds.

(a) Form; Numbering. The Refunding Bonds shall be issued as fully registered Bonds, without coupons, in the denomination of \$5,000 each or any integral multiple thereof, but in an amount not to exceed the aggregate principal amount of Refunding Bonds maturing in the year of maturity of the Refunding Bond for which the denomination is specified. Refunding Bonds shall be lettered and numbered as the Paying Agent prescribes.

(b) Date of Refunding Bonds. The Standard Delivery Refunding Bonds shall be dated as of the Closing Date. The Forward Delivery Refunding Bonds shall be dated as of the Settlement Date.

(c) Maturities: Interest. The Refunding Bonds shall mature (or, alternatively, be subject to mandatory sinking fund redemption as hereinafter provided) on September 1 in each of the years and in the amounts to be determined upon the sale of the Refunding Bonds, as set forth in the Bond Purchase Agreement. The Refunding Bonds shall bear interest, payable semiannually on each Interest Payment Date, as set forth in the Bond Purchase Agreement

Each Refunding Bond shall bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof unless (i) it is authenticated as of an Interest

Payment Date, in which event it shall bear interest from such date, or (ii) it is authenticated before an Interest Payment Date and after the close of business on the preceding Record Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is authenticated on or before the first Record Date, in which event it shall bear interest from the dated date of the Refunding Bonds; provided, however, that if at the time of authentication of a Refunding Bond, interest is in default thereon, such Refunding Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

(d) Payment. Interest on the Refunding Bonds (including the final interest payment upon maturity or redemption) is payable by check or draft of the Paying Agent mailed to the Owner thereof at such Owner's address as it appears on the Registration Books at the close of business on the preceding Record Date; provided that at the written request of the Owner of at least \$1,000,000 aggregate principal amount of the Refunding Bonds, which written request is on file with the Paying Agent as of any Record Date, interest on such Refunding Bonds shall be paid on the succeeding Interest Payment Date to such account as shall be specified in such written request. Principal of and premium (if any) on the Refunding Bonds are payable in lawful money of the United States of America upon presentation and surrender at the Office of the Paying Agent.

(e) Provisions of Bond Purchase Agreement to Control. Notwithstanding the foregoing provisions of this Section 2.02 and the following provisions of Section 2.03, any of the terms of the Refunding Bonds may be established or modified under the Bond Purchase Agreement. In the event of a conflict or inconsistency between this Resolution and the Bond Purchase Agreement relating to the terms of the Refunding Bonds, the provisions of the Bond Purchase Agreement shall be controlling.

Section 2.03. Redemption of Refunding Bonds.

(a) Optional Redemption Dates and Prices. The Refunding Bonds are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as designated by the District and by lot within a maturity, from any available source of funds, on the dates and at the respective redemption prices as set forth in the Bond Purchase Agreement.

(b) Mandatory Sinking Fund Redemption. If the Bond Purchase Agreement specifies that any one or more maturities of the Refunding Bonds are term bonds which are subject to mandatory sinking fund redemption, each such maturity of Refunding Bonds shall be subject to such mandatory sinking fund redemption on September 1 in each of the years and in the respective principal amounts as set forth in the Bond Purchase Agreement, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption. If any such Term Bonds are redeemed under the provisions of the preceding clause (a), the total amount of all future payments under this Subsection (b) with respect to such Term Bonds shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such payments as determined by the District (written notice of which determination shall be given by the District to the Paying Agent).

(c) Selection of Refunding Bonds for Redemption. Whenever less than all of the Outstanding Refunding Bonds of any one maturity are designated for redemption, the Paying Agent shall select the Outstanding Refunding Bonds of such maturity to be redeemed by lot in any manner deemed fair by the Paying Agent. For purposes of such selection, each Refunding

Bond will be deemed to consist of individual Refunding Bonds of \$5,000 denominations each, which may be separately redeemed.

(d) Redemption Procedure. The Paying Agent will cause notice of any redemption to be mailed, first class mail, postage prepaid, at least 20 days but not more than 60 days prior to the date fixed for redemption, to (i) one or more of the Information Services, and (ii) to the respective Owners of any Refunding Bonds designated for redemption, at their addresses appearing on the Registration Books. Such mailing is not a condition precedent to such redemption and the failure to mail or to receive any such notice will not affect the validity of the proceedings for the redemption of such Refunding Bonds. In addition, the Paying Agent will give notice of redemption by telecopy or certified, registered or overnight mail to each of the Securities Depositories at least two days prior to such mailing to the Refunding Bond Owners.

Such notice must state the redemption date and the redemption price and, if less than all of the then Outstanding Refunding Bonds are to be called for redemption, shall designate the serial numbers of the Refunding Bonds to be redeemed by giving the individual number of each Refunding Bond or by stating that all Refunding Bonds between two stated numbers, both inclusive, or by stating that all of the Refunding Bonds of one or more maturities have been called for redemption, and shall require that such Refunding Bonds be then surrendered at the Principal Office of the Paying Agent for redemption at the said redemption price, giving notice also that further interest on such Refunding Bonds will not accrue from and after the redemption date.

Upon surrender of Refunding Bonds redeemed in part only, the District shall execute and the Paying Agent shall authenticate and deliver to the Owner, at the expense of the District, a new Refunding Bond or Bonds, of the same maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Refunding Bond or Bonds.

From and after the date fixed for redemption, if notice of such redemption has been duly given and funds available for the payment of the principal of and interest (and premium, if any) on the Refunding Bonds so called for redemption have been duly provided, the Refunding Bonds called for redemption will cease to be entitled to any benefit under this Resolution other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in the notice. The Paying Agent will cancel all Refunding Bonds redeemed under this Section 2.03 and will furnish a certificate of cancellation to the District.

(e) Conditional Redemption Notice; Right to Rescind Notice of Optional Redemption. The District may send a conditional redemption notice that provides that redemption is subject to the availability of sufficient funds on the proposed redemption date. The District has the right to rescind any notice of the optional redemption of Refunding Bonds by written notice to the Paying Agent on or before the date fixed for redemption. Any notice of optional redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Refunding Bonds then called for redemption, and such cancellation will not constitute a default hereunder. The District and the Paying Agent have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Paying Agent shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under subsection (d) of this Section.

Section 2.04. Form of Refunding Bonds. The Refunding Bonds, the form of the Paying Agent's certificate of authentication and registration and the form of assignment to appear thereon shall be substantially in the forms, respectively, with necessary or appropriate variations,

omissions and insertions, as permitted or required by this Resolution and the Bond Purchase Agreement, as set forth in Appendix A hereto.

Section 2.05. Execution of Refunding Bonds. The Refunding Bonds shall be signed by the facsimile signature of the President and shall be attested by the facsimile signature of the Vice President/Clerk of the Board. Only those Refunding Bonds bearing a certificate of authentication and registration in the form set forth in Appendix A attached hereto, executed and dated by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of the Paying Agent is conclusive evidence that the Refunding Bonds so registered have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Resolution.

Section 2.06. Transfer of Refunding Bonds. Any Refunding Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Refunding Bond for cancellation at the Principal Office at the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. The District may charge a reasonable sum for each new Refunding Bond issued upon any transfer.

Whenever any Refunding Bond or Bonds is surrendered for transfer, the District shall execute and the Paying Agent shall authenticate and deliver a new Refunding Bond or Bonds, for like aggregate principal amount. No transfers of Refunding Bonds shall be required to be made (a) 15 days prior to the date established by the Paying Agent for selection of Refunding Bonds for redemption or (b) with respect to a Refunding Bond which has been selected for redemption.

Section 2.07. Exchange of Refunding Bonds. Refunding Bonds may be exchanged at the Principal Office of the Paying Agent for a like aggregate principal amount of Refunding Bonds of authorized denominations and of the same maturity. The District may charge a reasonable sum for each new Refunding Bond issued upon any exchange (except in the case of any exchange of temporary Refunding Bonds for definitive Refunding Bonds). No exchange of Refunding Bonds is required to be made (a) 15 days prior to the date established by the Paying Agent for selection of Refunding Bonds for redemption or (b) with respect to a Refunding Bond after it has been selected for redemption.

Section 2.08. Registration Books. The Paying Agent shall keep or cause to be kept sufficient books for the registration and transfer of the Refunding Bonds, which shall at all times be open to inspection by the District upon reasonable notice; and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Refunding Bonds as herein before provided.

Section 2.09. Book-Entry System. Except as provided below, DTC shall be the Owner of all of the Refunding Bonds, and the Refunding Bonds shall be registered in the name of Cede & Co. as nominee for DTC. The Refunding Bonds shall be initially executed and delivered in the form of a single fully registered Refunding Bond for each maturity date of the Refunding Bonds in the full aggregate principal amount of the Refunding Bonds maturing on such date. The Paying Agent and the District may treat DTC (or its nominee) as the sole and exclusive Owner of the Refunding Bonds registered in its name for all purposes of this Resolution, and neither the Paying Agent nor the District shall be affected by any notice to the contrary. The Paying Agent and the District have no responsibility or obligation to any Depository System Participant, any person claiming a beneficial ownership interest in the Refunding Bonds under or through DTC or a

Depository System Participant, or any other person which is not shown on the register of the District as being an owner, with respect to the accuracy of any records maintained by DTC or any Depository System Participant or the payment by DTC or any Depository System Participant by DTC or any Depository System Participant of any amount in respect of the principal of or interest on the Refunding Bonds. The District shall cause to be paid all principal of and interest on the Refunding Bonds only to DTC, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to the principal of and interest on the Refunding Bonds to the extent of the sum or sums so paid. Except under the conditions noted below, no person other than DTC shall receive a Refunding Bond. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the term "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

If the District determines that it is in the best interest of the beneficial owners that they be able to obtain certificated securities representing the Refunding Bonds and delivers a written certificate to DTC and the District to that effect, DTC shall notify the Depository System Participants of the availability through DTC of certificated securities representing the Refunding Bonds. In such event, the District shall issue, transfer and exchange Refunding Bonds as requested by DTC and any other owners in appropriate amounts. DTC may determine to discontinue providing its services with respect to the Refunding Bonds at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the District shall be obligated to deliver Refunding Bonds as described in this Resolution. Whenever DTC requests the District to do so, the District will cooperate with DTC in taking appropriate action after reasonable notice to (a) make available one or more separate Refunding Bonds evidencing the Refunding Bonds to any Depository System Participant having Refunding Bonds credited to its DTC account or (b) arrange for another securities depository to maintain custody of certificates evidencing the Refunding Bonds.

Notwithstanding any other provision of this Resolution to the contrary, so long as any Refunding Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal and interest with respect to such Refunding Bond and all notices with respect to such Refunding Bond shall be made and given, respectively, to DTC as provided as in the representation letter delivered on the date of issuance of the Refunding Bonds.

Section 2.10. Refunding Bonds Mutilated, Lost, Destroyed or Stolen. If any Refunding Bond is mutilated the District, at the expense of the Owner thereof, shall execute, and the Paying Agent shall authenticate and deliver, a new Refunding Bond of like maturity and principal amount in exchange and substitution for the Refunding Bond so mutilated, but only upon surrender to the Paying Agent of the Refunding Bond so mutilated. The Paying Agent shall cancel every mutilated Refunding Bond so surrendered to it. If any Refunding Bond is lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the District and, if such evidence is satisfactory to the District and indemnity satisfactory to it is given, the District, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Refunding Bond of like maturity and principal amount in lieu of and in substitution for the Refunding Bond so lost, destroyed or stolen. The District may require payment of a sum not exceeding the actual cost of preparing each new Refunding Bond issued under this Section and of the expenses which may be incurred by the District and the Paying Agent in the premises. Any Refunding Bond issued under the provisions of this Section 2.10 in lieu of any Refunding Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the District whether or not the Refunding Bond so alleged to be lost,

destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Resolution with all other Refunding Bonds issued under this Resolution.

Notwithstanding any other provision of this Section 2.10, in lieu of delivering a new Refunding Bond for which principal has or is about to become due for a Refunding Bond which has been mutilated, lost, destroyed or stolen, the Paying Agent may make payment of such Refunding Bond in accordance with its terms.

ARTICLE III

SALE OF REFUNDING BONDS; APPLICATION OF PROCEEDS

Section 3.01. Sale of Refunding Bonds; Approval of Sale Documents.

(a) Negotiated Sale of Refunding Bonds. The Board hereby authorizes the negotiated sale of the Refunding Bonds to the Underwriter. The Refunding Bonds shall be sold pursuant to the Bond Purchase Agreement and the Forward Delivery Purchase Agreement, each in substantially the form on file with the Vice President/Clerk of the Board, with such changes therein, deletions therefrom and modifications thereto as a District Representative may approve, such approval to be conclusively evidenced by the execution and delivery of such agreement. One or more Bond Purchase Agreements, and one or more Forward Delivery Purchase Agreements may be utilized if necessary or advisable in connection with the issuance of the Standard Delivery Refunding Bonds and the Forward Delivery Refunding Bonds, as determined by a District Representative. The Underwriter's discount (without regard to an original issue discount, if any) may not exceed 0.50% of the aggregate principal amount of the Refunding Bonds sold thereunder. The Board hereby authorizes a District Representative to execute and deliver the final form of the Bond Purchase Agreements and the Forward Delivery Purchase Agreements, as applicable, in the name and on behalf of the District.

(b) Official Statement. The Board hereby approves and deems nearly final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the Preliminary Official Statement describing the Refunding Bonds in the form on file with the Vice President/Clerk of the Board. A District Representative is hereby individually authorized, at the request of the Underwriter, to execute an appropriate certificate affirming the Board's determination that the Preliminary Official Statement has been deemed final within the meaning of such Rule, as of the date of execution of such certificate. A District Representative is hereby individually authorized and directed to approve any changes in or additions to a final form of the Official Statement, and the execution thereof by such District Representative shall be conclusive evidence of approval of any such changes and additions. The Board hereby authorizes the distribution of the final Official Statement and any supplements to the final Official Statement by the Underwriter. A District Representative shall execute the final Official Statement and any supplements to the final Official Statement in the name and on behalf of the District.

(c) Actions to Close Bond Issuance. Each District Representative and any and all other officers of the District are each authorized and directed in the name and on behalf of the District to execute and deliver any and all certificates, requisitions, agreements, notices, consents, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of the Refunding Bonds. Whenever in this Resolution any officer of the District is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf if such officer is absent or unavailable.

Section 3.02. Application of Proceeds of Sale of Refunding Bonds. The proceeds of the Refunding Bonds shall be paid to the Paying Agent on the Closing Date or Settlement Date, as applicable, and shall be applied by the Paying Agent as follows:

- (a) An amount required to pay the estimated Costs of Issuance shall be transferred to The Bank of New York Mellon Trust Company, N.A., to be held and administered in accordance with the agreement which is approved under Section 3.04.
- (b) The remainder of such proceeds shall be transferred to the Escrow Agent to be applied to refund and discharge all of the Refunded Bonds to be refunded, in accordance with an Escrow Agreement and/or Refunding Instructions.

Section 3.03. Refunding of Refunded Bonds; Approval of Escrow Agreements and Refunding Instructions. The Board hereby approves the form of Escrow Agreement relating to the refunding and discharge of the Refunded Bonds, in substantially the form on file with the Vice President/Clerk of the Board together with any changes therein or modifications thereof which are approved by a District Representative. The execution thereof by a District Representative will be conclusive evidence of the approval of any such changes or modifications. A District Representative is directed to authenticate and execute one or more final forms of the Escrow Agreement, and to deliver the executed Escrow Agreement on the Closing Date or Settlement Date, as applicable.

The Board hereby approves the Refunding Instructions relating to the refunding and discharge of the Refunded Bonds, in substantially the form on file with the Vice President/Clerk of the Board together with any changes therein or modifications thereof which are approved by a District Representative. The execution thereof by a District Representative will be conclusive evidence of the approval of any such changes or modifications. A District Representative is directed to authenticate and execute the final form of the Refunding Instructions, and to deliver the executed Refunding Instructions on the Closing Date.

Section 3.04. Costs of Issuance Custodian Agreement. The Board hereby directs the Underwriter to deposit a portion of the amounts received by the Underwriter upon the sale of the 2018 Bonds with The Bank of New York Mellon Trust Company, N.A., as custodian, to be applied to pay the Costs of Issuance, in an amount which shall be set forth in the Bond Purchase Agreement. The Board hereby authorizes a District Representative to enter into a Costs of Issuance Custodian Agreement with the custodian, in the form on file with the Vice President/Clerk of the Board. As provided in said agreement, amounts deposited thereunder shall be requisitioned by a District Representative for payment of Costs of Issuance in accordance with said agreement.

ARTICLE IV

SECURITY FOR THE REFUNDING BONDS; PAYMENT OF DEBT SERVICE

Section 4.01. Security for the Refunding Bonds. The Refunding Bonds are general obligations of the District payable from the levy of ad valorem taxes upon all property within the District which are subject to taxation by the District, without limitation as to rate or amount, for the payment of the Refunding Bonds and the interest thereon. The District hereby directs the County to levy on all the taxable property in the District, in addition to all other taxes, a continuing direct and ad valorem tax annually during the period the Refunding Bonds are Outstanding in an amount sufficient to pay the principal of and interest on the Refunding Bonds when due, including the principal of any Refunding Bonds upon the mandatory sinking fund redemption thereof under Section 2.03(b), which moneys when collected will be paid to the County Treasurer and placed in the Debt Service Fund as provided in Section 4.02.

The principal of and interest and redemption premium (if any) on Refunding Bonds do not constitute a debt of the County, the State of California, or any of its political subdivisions other than the District, or any of the officers, agents or employees thereof. Neither the County, the State of California, any of its political subdivisions nor any of the officers, agents or employees thereof are liable on the Refunding Bonds. In no event are the principal of and interest and redemption premium (if any) on Refunding Bonds payable out of any funds or properties of the District other than ad valorem taxes levied on taxable property in the District. The Refunding Bonds, including the interest thereon, are payable solely from taxes levied under Sections 15250 and 15252 of the Education Code.

Section 4.02. Debt Service Fund. The District hereby directs the Controller to establish a fund to be known as the "San Mateo County Community College District 2018 General Obligation Refunding Bond Debt Service Fund," to be maintained by the County Treasurer as a separate account, distinct from all other funds of the County and the District. All taxes levied by the County, as directed by the District herein, for the payment of the principal of and interest and premium (if any) on the Refunding Bonds in accordance with Section 5.02 shall be deposited in the Debt Service Fund by the County promptly upon apportionment of said levy. The Debt Service Fund is hereby irrevocably pledged by the District for the payment of the principal of and interest on the Refunding Bonds when and as the same become due.

Amounts on deposit in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Refunding Bonds as the same become due and payable, shall be transferred by the County to the Paying Agent upon the Written Request of the District filed with the County, as required to pay the principal of and interest on the Refunding Bonds. As provided in Section 15232 of the Education Code, amounts in the Debt Service Fund shall also be applied to pay the expense of paying the Refunding Bonds elsewhere than at the office of the County Treasurer.

Moneys held in the Debt Service Fund shall be invested at the discretion of the County Treasurer pursuant to law applicable to community college districts and the investment policy of the County, as such policy shall exist at the time of investment.

Any moneys remaining in the Debt Service Fund after the Refunding Bonds and the interest thereon have been paid, or provision for such payment has been made, shall be

transferred to the General Fund of the District, as provided in Section 15234 of the Education Code.

Section 4.03. Investments.

Obligations purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account. All interest or gain derived from the investment of amounts in any of the funds or accounts established hereunder shall be deposited in the fund or account from which such investment was made, and shall be expended for the purposes thereof. The District covenants that all investments of amounts deposited in any fund or account created by or under this Resolution, or otherwise containing proceeds of the Refunding Bonds, shall be acquired and disposed of at the Fair Market Value thereof. For purposes of this Section 4.03, the term "Fair Market Value" means, with respect to any investment, the price at which a willing buyer would purchase such investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Tax Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as described above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Tax Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Tax Code, or (iii) the investment is a United States Treasury Security - State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt.

ARTICLE V

OTHER COVENANTS OF THE DISTRICT

Section 5.01. Punctual Payment. The District will punctually pay, or cause to be paid, the principal of and interest on the Refunding Bonds, in strict conformity with the terms of the Refunding Bonds and of this Resolution, and it will faithfully observe and perform all of the conditions, covenants and requirements of this Resolution and of the Refunding Bonds. Nothing herein contained shall prevent the District from making advances of its own moneys howsoever derived to any of the uses or purposes permitted by law.

Section 5.02. Books and Accounts; Financial Statements. The District will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the District in which complete and correct entries are made of all transactions relating to the expenditure of the proceeds of the Refunding Bonds. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Paying Agent and the Owners of not less than 10% in aggregate principal amount of the Refunding Bonds then Outstanding, or their representatives authorized in writing.

Section 5.03. Protection of Security and Rights of Refunding Bond Owners. The District will preserve and protect the security of the Refunding Bonds and the rights of the Owners, and will warrant and defend their rights against all claims and demands of all persons. Following the issuance of the Refunding Bonds by the District, the Refunding Bonds shall be incontestable by the District.

Section 5.04. Tax Covenants.

(a) **Private Activity Bond Limitation.** The District shall assure that the proceeds of the Tax-Exempt Refunding Bonds are not so used as to cause the Tax-Exempt Refunding Bonds to satisfy the private business tests of Section 141(b) of the Tax Code or the private loan financing test of Section 141(c) of the Tax Code.

(b) **Federal Guarantee Prohibition.** The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Tax-Exempt Refunding Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Tax Code.

(c) **No Arbitrage.** The District shall not take, or permit or suffer to be taken by the Paying Agent or the County or otherwise, any action with respect to the proceeds of the Tax-Exempt Refunding Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date or Settlement Date, as applicable, would have caused the Tax-Exempt Refunding Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Tax Code.

(d) **Maintenance of Tax-Exemption.** The District shall take all actions necessary to assure the exclusion of interest on the Tax-Exempt Refunding Bonds from the gross income of the Owners of the Tax-Exempt Refunding Bonds to the same extent as such interest is permitted to be excluded from gross income under the Tax Code as in effect on the Closing Date or Settlement Date, as applicable.

(e) Rebate of Excess Investment Earnings to United States. The District shall calculate or cause to be calculated excess investment earnings with respect to the Tax-Exempt Refunding Bonds which are required to be rebated to the United States of America under Section 148(f) of the Tax Code, and shall pay the full amount of such excess investment earnings to the United States of America in such amounts, at such times and in such manner as may be required under the Tax Code, if and to the extent such Section 148(f) is applicable to the Tax-Exempt Refunding Bonds. Such payments shall be made by the District from any source of legally available funds of the District. The District shall keep or cause to be kept, and retain or cause to be retained for a period of six years following the retirement of the Tax-Exempt Refunding Bonds, records of the determinations made under this subsection (e). In order to provide for the administration of this subsection (e), the District may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the District may deem appropriate.

Section 5.05. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate, which shall be executed by a District Representative and delivered on the Closing Date. Notwithstanding any other provision of this Resolution, failure of the District to comply with the Continuing Disclosure Certificate does not constitute a default by the District hereunder or under the Refunding Bonds; however, any Participating Underwriter (as such term is defined in the Continuing Disclosure Certificate) or any holder or beneficial owner of the Refunding Bonds may, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Section 5.06. CDIAC Annual Reporting. The District hereby covenants and agrees that it will comply with the provisions of California Government Code Section 8855 subdivision (k) with respect to annual reporting to the California Debt and Investment Advisory Commission. Said reporting will occur at the times and include the types of information as set forth therein. Notwithstanding any other provision of this Resolution, failure of the District to comply with said reporting does not constitute a default by the District hereunder or under the Refunding Bonds.

Section 5.07. Further Assurances. The District will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Resolution, and for the better assuring and confirming unto the Owners of the Refunding Bonds of the rights and benefits provided in this Resolution.

ARTICLE VI

THE PAYING AGENT

Section 6.01. Appointment of Paying Agent. The District hereby designates The Bank of New York Mellon Trust Company, N.A. to act as Paying Agent for the Refunding Bonds. The Paying Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Resolution, and even during the continuance of an event of default with respect to the Refunding Bonds, no implied covenants or obligations shall be read into this Resolution against the Paying Agent. The Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the District a certificate to that effect.

The Treasurer may remove the Paying Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor, if not the County, shall be a bank or trust company doing business and having an office in the State of California, having a combined capital (exclusive of borrowed capital) and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, under law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 6.01 the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Paying Agent may at any time resign by giving written notice to the Treasurer, the District and the Refunding Bond Owners of such resignation. Upon receiving notice of such resignation, the Treasurer shall promptly appoint a successor Paying Agent by an instrument in writing. Any resignation or removal of the Paying Agent and appointment of a successor Paying Agent shall become effective upon acceptance of appointment by the successor Paying Agent.

Section 6.02. Paying Agent May Hold Refunding Bonds. The Paying Agent may become the Owner of any of the Refunding Bonds in its own or any other capacity with the same rights it would have if it were not Paying Agent.

Section 6.03. Liability of Agents. The recitals of facts, covenants and agreements herein and in the Refunding Bonds contained shall be taken as statements, covenants and agreements of the District, and the Paying Agent assumes no responsibility for the correctness of the same, nor makes any representations as to the validity or sufficiency of this Resolution or of the Refunding Bonds, nor shall incur any responsibility in respect thereof, other than as set forth in this Resolution. The Paying Agent is not liable in connection with the performance of its duties hereunder, except for its own negligence or willful default.

In the absence of bad faith, the Paying Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Paying Agent and conforming to the requirements of this Resolution.

The Paying Agent is not liable for any error of judgment made in good faith by a responsible officer of its corporate trust department in the absence of the negligence of the Paying Agent.

No provision of this Resolution shall require the Paying Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it has reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Paying Agent may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys.

Section 6.04. Notice to Agents. The Paying Agent may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Paying Agent may consult with counsel, who may be counsel to the District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Resolution, the Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Paying Agent, be deemed to be conclusively proved and established by a certificate of the District, and such certificate shall be full warrant to the Paying Agent for any action taken or suffered under the provisions of this Resolution upon the faith thereof, but in its discretion the Paying Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 6.05. Compensation; Indemnification. The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution. The District further agrees to indemnify and save the Paying Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or bad faith.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES OF REFUNDING BOND OWNERS

Section 7.01. Events of Default. Any one or more of the following events shall constitute an “event of default”:

- (a) if default shall be made by the District in the due and punctual payment of Debt Service or redemption premium, if any, on any Refunding Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;
- (b) if default shall be made by the District in the observance of any of the covenants, agreements or conditions on its part in this Resolution or in the Refunding Bonds contained, and such default shall have continued for a period of 30 days after written notice thereof to the District Representative; or
- (c) if the District shall file a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, seeking reorganization of the District under the federal bankruptcy laws or any other applicable law of the United States of America, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property.

Section 7.02. Application of Funds Upon Default. All of the sums in the Debt Service Fund and accounts provided for in Section 4.02 hereof upon the occurrence of an Event of Default as provided in Section 7.01 hereof, and all sums thereafter received by the Paying Agent hereunder, shall be applied by the Paying Agent in the following order upon presentation of the Refunding Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the costs and expenses of the Paying Agent hereunder and of the costs and expenses of Refunding Bond Owners in declaring such event of default, including reasonable compensation to their agents, attorneys and counsel;

Second, in case the principal of the Refunding Bonds shall not have become due and payable, to the payment of the interest in default in the order of the maturity of the installments of such interest, with interest on the overdue installments at the rate of 12% per annum (to the extent that such interest on overdue installments shall have been collected), such payments to be made ratably to the persons entitled thereto without discrimination or preference;

Third, in case any principal of the Refunding Bonds shall have become and shall be then due and payable, all such sums shall be applied to the payment of the whole amount then owing and unpaid upon the Refunding Bonds for principal and interest, with interest on the overdue principal and installments

of interest at the rate of 12% per annum (to the extent that such interest on overdue installments of interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Refunding Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Section 7.03. Remedies of Refunding Bond Owners. Any Refunding Bond Owner has the right, for the equal benefit and protection of all Refunding Bond Owners similarly situated:

- (a) by mandamus, suit, action or proceeding, to compel the District and its members, officers, agents or employees to perform each and every term, provision and covenant contained in this Resolution and in the Refunding Bonds, and to require the carrying out of any or all such covenants and agreements of the District and the fulfillment of all duties imposed upon it;
- (b) by suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the Refunding Bond Owners' rights; or
- (c) upon the happening and continuation of any default by the District hereunder or under the Refunding Bonds, by suit, action or proceeding in any court of competent jurisdiction, to require the District and its members and employees to account as if it and they were the trustees of an express trust.

Section 7.04. Non-Waiver. Nothing in this Article VII or in any other provision of this Resolution, or in the Refunding Bonds, shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the principal of and interest on the Refunding Bonds to the respective Owners of the Refunding Bonds at the respective dates of maturity, as herein provided, or affect or impair the right of action against the District, which is also absolute and unconditional, of such Owners to institute suit against the District to enforce such payment by virtue of the contract embodied in the Refunding Bonds.

A waiver of any default by any Refunding Bond Owner shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner of any of the Refunding Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Refunding Bond Owners by this Article VI may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners of the Refunding Bonds.

If a suit, action or proceeding to enforce any right or exercise any remedy be abandoned or determined adversely to the Refunding Bond Owners, the District and the Refunding Bond Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 7.05. Remedies Not Exclusive. No remedy herein conferred upon the Owners of Refunding Bonds is exclusive of any other remedy. Each and every remedy is cumulative and may be exercised in addition to every other remedy given hereunder or thereafter conferred on the Refunding Bond Owners.

ARTICLE VIII

AMENDMENT OF THIS RESOLUTION

Section 8.01. Amendments Effective Without Consent of the Owners. The Board may amend this Resolution from time to time, without the consent of the Owners of the Refunding Bonds, for any one or more of the following purposes:

- (a) To add to the covenants and agreements of the District in this Resolution, which are not contrary to or inconsistent with this Resolution as theretofore in effect;
- (b) To confirm, as further assurance, any pledge under, and to subject to any lien or pledge created or to be created by, this Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under this Resolution;
- (c) To cure any ambiguity, supply any omission, substitute any party, or cure or correct any defect or inconsistent provision in this Resolution; or
- (d) To make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Refunding Bonds.

Section 8.02. Amendments Effective With Consent of the Owners. The Board may amend this Resolution from time to time for any purpose not set forth in Section 8.01, with the written consent of the Owners of a majority in aggregate principal amount of the Refunding Bonds Outstanding at the time such consent is given. No such modification or amendment shall permit a change in the terms of maturity of the principal of any Outstanding Refunding Bonds or of any interest payable thereon or a reduction in the principal amount thereof or in the rate of interest thereon, or shall reduce the percentage of Refunding Bonds the consent of the Owners of which is required to effect any such modification or amendment, or shall change any of the provisions in Section 7.01 relating to Events of Default, or shall reduce the amount of moneys pledged for the repayment of the Refunding Bonds without the consent of all the Owners of such Refunding Bonds, or shall change or modify any of the rights or obligations of any Paying Agent without its written consent.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits of Resolution Limited to Parties. Nothing in this Resolution, expressed or implied, gives to any person other than the District, the County, the Paying Agent and the Owners of the Refunding Bonds, any right, remedy, or claim under or by reason of this Resolution. The covenants, stipulations, promises or agreements in this Resolution are for the sole and exclusive benefit of the Owners of the Refunding Bonds.

Section 9.02. Defeasance of Refunding Bonds.

(a) Discharge of Resolution. Refunding Bonds may be paid by the District in any of the following ways, provided that the District also pays or causes to be paid any other sums payable hereunder by the District:

- (i) by paying or causing to be paid the principal or redemption price of and interest on such Refunding Bonds, as and when the same become due and payable;
- (ii) by irrevocably depositing, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 9.02(c) hereof) to pay or redeem such Refunding Bonds; or
- (iii) by delivering such Refunding Bonds to the Paying Agent for cancellation by it.

If the District pays all Outstanding Refunding Bonds and also pays or causes to be paid all other sums payable hereunder by the District, then and in that case, at the election of the District (evidenced by a certificate of a District Representative filed with the Paying Agent, signifying the intention of the District to discharge all such indebtedness and this Resolution), and notwithstanding that any Refunding Bonds have not been surrendered for payment, this Resolution and other assets made under this Resolution and all covenants, agreements and other obligations of the District under this Resolution shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in Section 9.02(b). In such event, upon request of the District, the Paying Agent shall cause an accounting for such period or periods as may be requested by the District to be prepared and filed with the District and shall execute and deliver to the District all such instruments as may be necessary to evidence such discharge and satisfaction, and the Paying Agent shall pay over, transfer, assign or deliver to the District all moneys or securities or other property held by it under this Resolution which are not required for the payment or redemption of Refunding Bonds not theretofore surrendered for such payment or redemption.

(b) Discharge of Liability on Refunding Bonds. Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 9.02(c) hereof) to pay or redeem any Outstanding Refunding Bond (whether upon or prior to its maturity or the redemption date of such Refunding Bond), provided that, if such Refunding Bond is to be redeemed prior to maturity, notice of such redemption has been given as provided in Section 2.03 or provision satisfactory to the Paying Agent has been made for the giving of such notice, then all liability of the District in respect of such Refunding Bond shall cease and be completely

discharged, except only that thereafter the Owner thereof shall be entitled only to payment of the principal of and interest on such Refunding Bond by the District, and the District shall remain liable for such payment, but only out of such money or securities deposited with the Paying Agent as aforesaid for such payment, provided further, however, that the provisions of Section 9.02(d) shall apply in all events.

The District may at any time surrender to the Paying Agent for cancellation by it any Refunding Bonds previously issued and delivered, which the District may have acquired in any manner whatsoever, and such Refunding Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

(c) Deposit of Money or Securities with Paying Agent. Whenever in this Resolution it is provided or permitted that there be deposited with or held in trust by the Paying Agent money or securities in the necessary amount to pay or redeem any Refunding Bonds, the money or securities so to be deposited or held may include money or securities held by the Paying Agent in the funds and accounts established under this Resolution and shall be:

- (i) lawful money of the United States of America in an amount equal to the principal amount of such Refunding Bonds and all unpaid interest thereon to maturity, except that, in the case of Refunding Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption has been given as provided in Section 2.03 or provision satisfactory to the Paying Agent has been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or redemption price of such Refunding Bonds and all unpaid interest thereon to the redemption date; or
- (ii) Federal Securities (not callable by the issuer thereof prior to maturity) the principal of and interest on which when due, in the opinion of a certified public accountant delivered to the District, will provide money sufficient to pay the principal or redemption price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Refunding Bonds to be paid or redeemed, as such principal or redemption price and interest become due, provided that, in the case of Refunding Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption has been given as provided in Section 2.03 or provision satisfactory to the Paying Agent has been made for the giving of such notice.

(d) Payment of Refunding Bonds After Discharge of Resolution. Notwithstanding any provisions of this Resolution, any moneys held by the Paying Agent in trust for the payment of the principal or redemption price of, or interest on, any Refunding Bonds and remaining unclaimed for two years after the principal of all of the Refunding Bonds has become due and payable (whether at maturity or upon call for redemption or by acceleration as provided in this Resolution), if such moneys were so held at such date, or two years after the date of deposit of such moneys if deposited after said date when all of the Refunding Bonds became due and payable, shall, upon request of the District, be repaid to the District free from the trusts created by this Resolution, and all liability of the Paying Agent with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to the District as aforesaid, the Paying Agent may (at the cost of the District) first mail to the Owners of all Refunding Bonds which have not been paid at the addresses shown on the Registration Books a notice in such form as may be deemed appropriate by the Paying Agent, with respect to the Refunding Bonds so payable and

not presented and with respect to the provisions relating to the repayment to the District of the moneys held for the payment thereof.

Section 9.03. Execution of Documents and Proof of Ownership by Refunding Bond Owners. Any request, declaration or other instrument which this Resolution may require or permit to be executed by Refunding Bond Owners may be in one or more instruments of similar tenor, and shall be executed by Refunding Bond Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Refunding Bond Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Refunding Bonds and the amount, maturity, number and date of holding the same shall be proved by the Registration Books.

Any request, declaration or other instrument or writing of the Owner of any Refunding Bond shall bind all future Owners of such Refunding Bond in respect of anything done or suffered to be done by the District or the Paying Agent in good faith and in accordance therewith.

Section 9.04. Waiver of Personal Liability. No Board member, officer, agent or employee of the District shall be individually or personally liable for the payment of the principal of or interest on the Refunding Bonds; but nothing herein contained shall relieve any such Board member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.05. Limited Duties of County; Indemnification. The County (including its officers, agents and employees) shall undertake only those duties of the County under this Resolution which are specifically set forth in this Resolution, and even during the continuance of an event of default with respect to the Refunding Bonds, no implied covenants or obligations shall be read into this Resolution against the County (including their respective officers, agents and employees).

The District further agrees to indemnify, defend and save the County (including its officers, agents and employees) harmless against any and all liabilities, costs, expenses, damages and claims which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or bad faith.

Section 9.06. Destruction of Canceled Refunding Bonds. Whenever in this Resolution provision is made for the surrender to the District of any Refunding Bonds which have been paid or canceled under the provisions of this Resolution, a certificate of destruction duly executed by the Paying Agent shall be deemed to be the equivalent of the surrender of such canceled Refunding Bonds and the District shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Refunding Bonds therein referred to.

Section 9.07. Partial Invalidity. If any section, paragraph, sentence, clause or phrase of this Resolution shall for any reason be held illegal or unenforceable, such holding shall not

affect the validity of the remaining portions of this Resolution. The District hereby declares that it would have adopted this Resolution and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Refunding Bonds pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses, or phrases of this Resolution may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the District is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the District hereunder shall be assumed by and vest in the chief financial officer of the District in trust for the benefit of the Refunding Bond Owners.

Section 9.08. Effective Date of Resolution. This Resolution shall take effect from and after the date of its passage and adoption.

* * * * *

PASSED AND ADOPTED this 26th day of September, 2018, by the following vote:

AYES:

NOES:

ABSENT:

President of the Board of Trustees of
San Mateo County Community College District
San Mateo County, California

ATTEST:

Vice President/Clerk of the Board of Trustees of
San Mateo County Community College District,
San Mateo County, California

I, Maurice Goodman, Vice President/Clerk of the Board of Trustees of San Mateo County Community College District, San Mateo County, California, do hereby certify that the foregoing is a full, true and correct copy of the Resolution passed and adopted by said Board of Trustees at a regular meeting on the 13th day of August, 2018, and that the minutes of said Board of Trustees shows that _____(____) members of said Board voted for and _____(____) members of said Board voted against the adoption of said Resolution and the said Resolution is now spread upon the minutes of said Board.

Vice President/Clerk of the Board of Trustees of San
Mateo County Community College District
San Mateo County, California

which written request is on file with the Paying Agent prior to any Record Date, interest on such Bonds shall be paid on each succeeding Interest Payment Date by wire transfer in immediately available funds to such account of a financial institution within the United States of America as shall be specified in such written request.

This Bond is issued pursuant to a resolution adopted by the Board of Trustees of the District on September 26, 2018 (the "Bond Resolution").

This Bond is one of a series of \$_____ of Bonds issued for the purpose of raising money to refinance outstanding general obligation bond indebtedness of the District. This Bond and the issue of which this Bond is a part are payable as to both principal and interest from the proceeds of the levy of ad valorem taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount.

The principal of and interest and redemption premium, if any, on this Bond does not constitute a debt of the County, the State of California, or any of its political subdivisions other than the District, or any of the officers, agents and employees thereof, and neither the County, the State of California, any of its political subdivisions, nor any of the officers, agents and employees thereof shall be liable hereon. In no event shall the principal of and interest and redemption premium, if any, on this Bond be payable out of any funds or properties of the District other than ad valorem taxes levied upon all taxable property in the District.

The Bonds of this issue are issuable only as fully registered Bonds in the denominations of \$5,000 or any integral multiple thereof. This Bond is exchangeable and transferable for Bonds of other authorized denominations at the principal corporate trust office of the Paying Agent, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. Any tax or governmental charges shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

The Bonds maturing on or before September 1, 20__ are not subject to redemption prior to their respective stated maturities. The Bonds maturing on or after September 1, 20__ are subject to redemption prior to maturity as a whole, or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, at the option of the District, from any available source of funds, on September 1, 20__ and on any Interest Payment Date thereafter, at a redemption price (expressed as a percentage of the principal amount of Bonds to be redeemed) as set forth in the following table, together with interest thereon to the date fixed for redemption.

Redemption Dates

Redemption Price

[If applicable:] The Bonds maturing on September 1, 20__ (the "Term Bonds") are also subject to mandatory sinking fund redemption on September 1 in the years, and in the amounts, as set forth in the following table, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption; provided, however, that if some but not all of the Term Bonds have been redeemed under the preceding paragraph, the aggregate principal amount of Term Bonds to be redeemed under this paragraph shall be reduced as shall be designated under written notice filed by the District with the Paying Agent.

Sinking Fund Redemption Date <u>(September 1)</u>	Principal Amount To Be <u>Redeemed</u>
---	--

The Paying Agent shall give notice of the redemption of the Bonds at the expense of the District. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed, (b) the numbers and CUSIP numbers of the Bonds to be redeemed, (c) the date of notice and the date of redemption, (d) the place or places where the redemption will be made, and (e) descriptive information regarding the Bonds including the dated date, interest rate and stated maturity date. Such notice shall further state that on the specified date there shall become due and payable upon each Bond to be redeemed, the portion of the principal amount of such Bond to be redeemed, together with interest accrued to said date, the redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue and be payable.

Notice of redemption shall be by registered or otherwise secured mail or delivery service, postage prepaid, to the registered owner of the Bonds, to a municipal registered securities depository and to a national information service that disseminates securities redemption notices and, by first class mail, postage prepaid, to the District and the respective Owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books, in every case at least 20 days, but not more than 60 days, prior to the redemption date; provided that neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds.

The District may send a conditional redemption notice and rescind such notice, all as set forth in the Bond Resolution.

Neither the District nor the Paying Agent will be required: (a) to issue or transfer any Bond during a period beginning with the opening of business on the 15th calendar day next preceding either any Interest Payment Date or any date of selection of any Bond to be redeemed and ending with the close of business on the Interest Payment Date or a day on which the applicable notice of redemption is given, or (b) to transfer any Bond which has been selected or called for redemption in whole or in part.

Reference is made to the Bond Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds of this series, the rights, duties and obligations of the District, the Paying Agent and the Registered Owners, and the terms and conditions upon which the Bonds are issued and secured. The owner of this Bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Trustee for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

It is certified, recited and declared that all acts and conditions required by the Constitution and laws of the State of California to exist, to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the Bonds has been received; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Bonds; and that due provision has been made for levying and collecting ad valorem property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due, and for levying and collecting such taxes the full faith and credit of the District are hereby pledged.

This Bond shall be not be valid or obligatory for any purpose and is not entitled to any security or benefit under the Bond Resolution (described on the reverse hereof) until the Certificate of Authentication below has been manually signed by the Paying Agent.

IN WITNESS WHEREOF, the San Mateo County Community College District has caused this Bond to be executed by the facsimile signature of its President and attested by the facsimile signature of the Vice President/Clerk of its Board of Trustees, all as of the date stated above.

**SAN MATEO COUNTY COMMUNITY COLLEGE
DISTRICT**

By _____
President

Attest:

Vice President/Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the Bond Resolution referred to herein.

Date of Authentication:

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.
as Paying Agent

By _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint _____
_____, attorney, to transfer the same on the registration books of the Bond
Registrar, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Note: Signature(s) must be guaranteed by an
eligible guarantor institution.

Note: The signature(s) on this Assignment must
correspond with the name(s) as written on the face
of the within Bond in every particular without
alteration or enlargement or any change whatsoever.

APPENDIX B

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates that have been provided by the Underwriter, in good faith:

- (A) True interest cost of the Refunding Bonds: 3.94%
- (B) Finance charge of the Refunding Bonds (sum of all costs of issuance and fees/charges paid to third parties): \$300,000
- (C) Net proceeds to be received (net of finance charges, reserves and capitalized interest, if any): \$59,939,000
- (D) Total payment amount through maturity: \$104,646,000

ESCROW DEPOSIT AND TRUST AGREEMENT

Relating to

\$127,000,000

**San Mateo County Community College District
(County of San Mateo, California)
2015 General Obligation Bonds (Election of 2014), Series A**

This ESCROW DEPOSIT AND TRUST AGREEMENT (this "Agreement"), dated November ____, 2018, is between the SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT, a community college district organized and existing under the Constitution and laws of the State of California (the "District"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, acting as escrow agent for the Refunded Prior Bonds described below (the "Escrow Agent").

B A C K G R O U N D :

1. The District previously issued its San Mateo County Community College District (County of San Mateo, California) 2015 General Obligation Bonds (Election of 2014), Series A, on June 18, 2015, in the aggregate principal amount of \$127,000,000 (the "Prior Bonds"), under Resolution No. 15-1 adopted by the Board of Trustees of the District on March 25, 2015 (the "Prior Bond Resolution").

2. In order to provide funds to refund a portion of the Prior Bonds, as such portion is identified on Exhibit A hereto (the "Refunded Prior Bonds"), and thereby realize interest rate savings to the property taxpayers of the District, the Board of Trustees of the District has authorized the issuance of San Mateo County Community College District 2018 General Obligation Refunding Bonds in the aggregate principal amount of \$_____ (the "2018 Refunding Bonds") under the provisions of Resolution No. __ adopted on September 26, 2018 (the "2018 Bond Resolution").

3. The District wishes to appoint the Escrow Agent for the purpose of establishing an irrevocable escrow fund to be funded, invested, held and administered for the purpose of providing for the payment in full of the principal, interest and redemption premium on the outstanding Refunded Prior Bonds.

4. As a result of the deposit and investment of funds in accordance with this Agreement, the Refunded Prior Bonds will be discharged and defeased in accordance with the provisions of Section 9.02 of the Prior Bond Resolution.

A G R E E M E N T :

In consideration of the premises and the material covenants contained herein, the District and the Escrow Agent hereby agree as follows:

SECTION 1. *Appointment of Escrow Agent; Establishment of Escrow Fund.* The District hereby appoints the Escrow Agent to act as escrow agent for purposes of administering the funds required to redeem and defease the Refunded Prior Bonds in accordance with the Prior Bond Resolution. The Escrow Agent is directed to establish an escrow fund (the "Escrow Fund") to be held by the Escrow Agent in trust as an irrevocable escrow securing the payment of the Refunded Prior Bonds as hereinafter set forth. All cash and securities in the Escrow Fund are hereby irrevocably pledged as a special fund for the payment of the principal of and interest and premium on the Refunded Prior Bonds in accordance with the Prior Bond Resolution.

If at any time the Escrow Agent receives actual knowledge that the cash and securities in the Escrow Fund will not be sufficient to make any payment required by Section 4 in respect of the Refunded Prior Bonds, the Escrow Agent shall notify the District of such fact and the District shall immediately cure such deficiency from any source of legally available funds. The Escrow Agent has no liability for any such insufficiency.

SECTION 2. *Deposit and Investment of Amounts in Escrow Fund.* On the date hereof (the "Closing Date"), the District shall cause to be transferred to the Escrow Agent for deposit into the Escrow Fund the amount of \$_____ in immediately available funds, to be derived from the proceeds of the 2018 Refunding Bonds received by the Escrow Agent on the Closing Date.

On the Closing Date, the Escrow Agent shall invest \$_____ of the amounts deposited in the Escrow Fund in the federal securities listed on Exhibit B. The Escrow Agent shall hold the remaining \$_____ in cash, uninvested.

If the Escrow Agent learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of state and local government series securities ("SLGS") that is to be submitted pursuant to this Agreement, the Escrow Agent shall promptly request alternative written investment instructions from the District with respect to funds which were to be invested in SLGS. The Escrow Agent shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Agent shall hold such funds uninvested and without liability for interest until receipt of further written instructions from the District. In the absence of investment instructions from the District, the Escrow Agent shall hold such funds uninvested. The Escrow Agent may conclusively rely upon the District's selection of an alternative investment as a determination of the alternative investment's legality and suitability and shall not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

SECTION 3. *Application of Amounts in Escrow Fund.* The Escrow Agent is hereby instructed to withdraw from the Escrow Fund and transfer to the Paying Agent an amount required to pay the principal of and interest and redemption premium on the Refunded Prior Bonds, in accordance with the schedule attached as Exhibit C hereto.

Following the payment and redemption of the Refunded Prior Bonds in full, the Escrow Agent shall transfer any amounts remaining on deposit in the Escrow Fund to the San Mateo County Treasurer-Tax Collector, in its capacity as paying agent for the 2018 Refunding Bonds, for deposit into the Debt Service Fund established under Section 4.02 of the 2018 Bond Resolution, to be applied to pay interest next coming due and payable on the 2018 Refunding Bonds.

SECTION 4. *Irrevocable Election to Redeem Refunded Prior Bonds; Defeasance Notices.* The District has irrevocably elected to pay and redeem all of the outstanding Refunded Prior Bonds on the dates set forth in Exhibit C, in accordance with the provisions of the Prior Resolution. In addition, the Escrow Agent, in its capacity as paying agent for the Prior Bonds, shall provide notice of redemption in the form attached as Exhibit D to the Refunded Bond owners, in accordance with Prior Bond Resolution, not less than 30 or more than 60 days prior to the redemption date.

The District further hereby directs the Escrow Agent to file on the Closing Date the notices attached as Exhibit E on the Municipal Securities Rulemaking Board's EMMA system.

SECTION 5. *Compensation to Escrow Agent.* The District shall pay the Escrow Agent full compensation for its services under this Agreement, including out-of-pocket costs such as publication costs, redemption expenses, legal fees and other costs and expenses relating hereto and, in addition, all fees, costs and expenses relating to the purchase, substitution or withdrawal of any securities after the date hereof. Under no circumstances shall amounts deposited in or credited to the Escrow Fund be deemed to be available for said purposes. The Escrow Agent has no lien upon or right of set off against the cash and securities at any time on deposit in the Escrow Fund.

SECTION 6. *Immunities and Liability of Escrow Agent.* The Escrow Agent undertakes to perform only such duties as are expressly set forth in this Agreement and no implied duties, covenants or obligations shall be read into this Agreement against the Escrow Agent. The Escrow Agent shall not have any liability hereunder except to the extent of its negligence or willful misconduct. In no event shall the Escrow Agent be liable for any special, indirect or consequential damages. The Escrow Agent shall not be liable for any loss from any investment made by it in accordance with the terms of this Agreement. The Escrow Agent may consult with legal counsel of its own choice and the Escrow Agent shall not be liable for any action taken or not taken by it in good faith in reliance upon the opinion or advice of such counsel. The Escrow Agent shall not be liable for the recitals or representations contained in this Agreement and shall not be responsible for the validity of this Agreement, the sufficiency of the Escrow Fund or the moneys and securities to pay the principal, interest and redemption premium with respect to the Refunded Prior Bonds.

Whenever in the administration of this Agreement the Escrow Agent deems it necessary or desirable that a matter be proved or established prior to taking or not taking any action, such matter may be deemed to be conclusively proved and established by a certificate of an authorized representative of the District and shall be full protection for any action taken or not taken by the Escrow Agent in good faith reliance thereon.

The Escrow Agent may conclusively rely as to the truth and accuracy of the statements and correctness of any opinions or calculations provided to it in connection

with this Agreement and shall be protected in acting, or refraining from acting, upon any notice, instruction, request, certificate, document, opinion or other writing furnished to the Escrow Agent in connection with this Agreement and believed by the Escrow Agent to be signed by the proper party, and it need not investigate any fact or matter stated therein.

None of the provisions of this Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder. The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care.

The Escrow Agent may at any time resign by giving 30 days' written notice of resignation to the District. Upon receiving such notice of resignation, the District shall promptly appoint a successor and, upon the acceptance by the successor of such appointment, release the resigning Escrow Agent from its obligations hereunder by written instrument, a copy of which instrument shall be delivered to the resigning Escrow Agent and the successor. If no successor shall have been so appointed and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor.

Any bank, corporation or association into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any bank, corporation or association resulting from any merger, conversion or consolidation to which the Escrow Agent shall be a party, or any bank, corporation or association succeeding to all or substantially all of the corporate trust business of the Escrow Agent shall be the successor of the Escrow Agent hereunder without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except on the part of any of the parties hereto where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

The District shall indemnify, defend and hold harmless the Escrow Agent and its officers, directors, employees, representatives and agents, from and against and reimburse the Escrow Agent for any and all claims, obligations, liabilities, losses, damages, actions, suits, judgments, reasonable costs and expenses (including reasonable attorneys' and agents' fees and expenses) of whatever kind or nature regardless of their merit, demanded, asserted or claimed against the Escrow Agent directly or indirectly relating to, or arising from, claims against the Escrow Agent by reason of its participation in the transactions contemplated hereby except to the extent caused by the Escrow Agent's negligence or willful misconduct. The provisions of the foregoing sentence shall survive the termination of this Agreement or the earlier resignation or removal of the Escrow Agent.

The Escrow Agent shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means ("Electronic Means" means mean the following communications methods: S.W.I.F.T., e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder); provided, however, that the District shall provide to the Escrow Agent an incumbency certificate listing officers

with the District to provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the District whenever a person is to be added or deleted from the listing. If the District elects to give the Escrow Agent Instructions using Electronic Means and the Escrow Agent in its discretion elects to act upon such Instructions, the Escrow Agent’s understanding of such Instructions shall be deemed controlling. The District understands and agrees that the Escrow Agent cannot determine the identity of the actual sender of such Instructions and that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such Authorized Officer. The District shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Agent and that the District and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the District. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The District agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Agent and that there may be more secure methods of transmitting Instructions than the method(s) selected by the District; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

SECTION 7. *Termination of Agreement.* Upon payment in full of the principal of and interest and redemption premium on the Refunded Prior Bonds and all fees, expense and charges of the Escrow Agent as described above, this Agreement shall terminate and the Escrow Agent shall be discharged from any further obligation or responsibility hereunder.

SECTION 8. *Execution in Counterparts.* This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 9. *Applicable Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of California.

**SAN MATEO COUNTY COMMUNITY
COLLEGE DISTRICT**

By: _____
Executive Vice Chancellor

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.**, as Escrow
Agent

By: _____
Authorized Officer

EXHIBIT A
REFUNDED PRIOR BONDS

Type	Maturity Date	Principal Amount	Interest Rate

EXHIBIT C
ESCROW REQUIREMENTS

<u>Payment Date</u>	<u>Interest Payment</u>	<u>Redeemed Principal</u>	<u>Redemption Premium</u>	<u>Total Payment</u>
---------------------	-------------------------	---------------------------	---------------------------	----------------------

EXHIBIT D

FORM OF NOTICE OF REDEMPTION

\$127,000,000
San Mateo County Community College District
(County of San Mateo, California)
2015 General Obligation Bonds (Election of 2014), Series A

NOTICE IS HEREBY GIVEN, by the San Mateo County Community College District (the "District") with respect to the captioned bonds (the "2015A Bonds"), that a portion of the 2015A Bonds (the "Refunded 2015A Bonds") has been defeased and discharged under and within the meaning of Resolution 15-1 of the Board of Trustees of the District authorizing the issuance of the 2015A Bonds at a redemption price equal to the par amount thereof together with accrued interest thereon to the redemption date, without premium. Interest on the Refunded 2015A Bonds will not accrue after the redemption date.

The Refunded 2015A Bonds consist of the following:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP</u>
09/01/2040	\$25,325,000	See below*	799038 MB7

* Bears interest at 2.50% per annum through and including August 31, 2019; 3.75% per annum from September 1, 2019 through and including August 31, 2025; 4.75% per annum from September 1, 2025 through and including August 31, 2030; 5.00% per annum from September 1, 2030 through and including August 31, 2035; and 5.25% per annum from September 1, 2035 to maturity

† The District and the escrow bank shall not be responsible for the selection or use of the CUSIP numbers listed above, nor is any representation made as to the accuracy of the CUSIP numbers listed above or as printed on any Refunded 2015A Bond; the CUSIP numbers are included solely for the convenience of the owners of the Refunded 2015A Bonds.

Funds for the payment of the Refunded 2015A Bonds have been deposited with The Bank of New York Mellon Trust Company, N.A., as escrow agent, and the sufficiency of the funds and investments for the purpose of paying the principal of and interest on the Refunded 2015A Bonds has been verified by _____, certified public accountants. The Refunded 2015A Bonds must be surrendered by the owners at the principal corporate trust office of the Paying Agent.

Dated: _____, 2018

**THE BANK OF NEW YORK MELLON
 TRUST COMPANY, N.A.,**
as Escrow Bank

EXHIBIT D

FORM OF NOTICE OF DEFEASANCE

NOTICE OF PARTIAL DEFEASANCE

\$127,000,000

**San Mateo County Community College District
(County of San Mateo, California)
2015 General Obligation Bonds (Election of 2014), Series A**

NOTICE IS HEREBY GIVEN, by the San Mateo County Community College District (the "District") with respect to the captioned bonds (the "2015A Bonds"), that a portion of the 2015A Bonds (the "Refunded 2015A Bonds") has been defeased and discharged under and within the meaning of Resolution 15-1 of the Board of Trustees of the District authorizing the issuance of the 2015A Bonds (the "Resolution"). Funds for the payment of the Refunded 2015A Bonds have been deposited with The Bank of New York Mellon Trust Company, N.A., as escrow bank, and the sufficiency of the funds and investments for the purpose of paying the principal of and interest on the Refunded 2015A Bonds has been verified by _____, certified public accountants. As a consequence of the foregoing actions and in accordance with the Resolution, the Refunded 2015A Bonds are no longer secured by a pledge of revenues under the Resolution, and the Refunded 2015A Bonds are now payable solely from the moneys set aside in escrow as described above and, if necessary, from other legally available funds of the District.

The Refunded 2015A Bonds consist of the following:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP</u>
09/01/2040	\$25,325,000	See below*	799038 MB7

* Bears interest at 2.50% per annum through and including August 31, 2019; 3.75% per annum from September 1, 2019 through and including August 31, 2025; 4.75% per annum from September 1, 2025 through and including August 31, 2030; 5.00% per annum from September 1, 2030 through and including August 31, 2035; and 5.25% per annum from September 1, 2035 to maturity

† The District and the escrow bank shall not be responsible for the selection or use of the CUSIP numbers listed above, nor is any representation made as to the accuracy of the CUSIP numbers listed above or as printed on any Refunded 2015A Bond; the CUSIP numbers are included solely for the convenience of the owners of the Refunded 2015A Bonds.

The District has irrevocably elected to redeem all of the outstanding Refunded 2015A Bonds on _____, at a redemption price equal to the par amount thereof together with accrued interest thereon to the redemption date, without premium.

Dated: _____, 2018

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,
as Escrow Bank**

\$ _____
**SAN MATEO COUNTY
COMMUNITY COLLEGE DISTRICT
(County of San Mateo, California)
2018 General Obligation Refunding Bonds
[Federally Taxable] (Forward Delivery)**

FORWARD DELIVERY BOND PURCHASE CONTRACT

November __, 2018

San Mateo County Community College District
3401 CSM Drive
San Mateo, California 94402

Ladies and Gentlemen:

The undersigned, Morgan Stanley & Co. LLC (the “Underwriter”), offers to enter into this Forward Delivery Bond Purchase Contract (the “Purchase Contract”) with the San Mateo County Community College District (the “District”), which, upon acceptance hereof by the District, will be binding upon the District and the Underwriter. This offer is made subject to the written acceptance of this Purchase Contract by the District and delivery of such acceptance to us at our office prior to 11:59 p.m., California Time, on the date hereof.

1. Purchase and Sale of the Bonds. Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the District for reoffering to the public, and the District hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of \$ _____ in the aggregate principal amount of the District’s 2018 General Obligation Refunding Bonds [Federally Taxable] (Forward Delivery), (the “Bonds”). The purchase price of the Bonds shall be \$ _____ (being equal to the aggregate principal amount of the Bonds of \$ _____, plus/minus original issue premium/discount in the amount of \$ _____, less an Underwriter’s discount in the amount of \$ _____).

The Bonds are being issued in the aggregate principal amount of \$ _____. The Bonds shall bear interest at the rates and shall mature in the years shown on Appendix A hereto, which is incorporated herein by this reference.

The District acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm’s-length commercial transaction between the District and the

Underwriter, (ii) in connection therewith and with the discussion, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of or a financial advisor to the District, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the District with respect to (x) the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the District on other matters) or (y) any other obligation of the District, except the obligations expressly set forth in this Purchase Contract and (iv) the District has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the offering of the Bonds. The District acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the Municipal Securities Rulemaking Board (the “MSRB”).

The net proceeds of the Bonds will be used to refund a portion of the outstanding principal amount of the District’s 2015 General Obligation Bonds (Election of 2014), Series A (such portion, the “Refunded Bonds”).

2. The Bonds. The Bonds shall be issued pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “Refunding Bond Law”) and by a resolution of the Governing Board of the District, adopted on [September 26, 2018] (the “Resolution”). The Bonds shall be dated as of the Settlement Date (defined herein) and be payable as set forth and otherwise described in the Resolution and in this Purchase Contract, including in Appendix A hereto. The Bonds shall otherwise be as described in the Preliminary Official Statement of the District with respect to the Bonds, dated [October __, 2018] (together with the cover page, inside cover page, any documents incorporated therein by reference, and all appendices, exhibits, maps, reports and statements included therein or attached thereto, the “Preliminary Official Statement”). The payment for and delivery of the Bonds pursuant to this Purchase Contract, along with other actions contemplated to take place at the time of such payment and delivery, is referred to herein as the “Settlement” or “Settlement Date”.

The Bonds shall be executed and delivered under and in accordance with the provisions of the Resolution and the applicable provisions of California law. The Bonds shall be in book-entry form, shall bear CUSIP numbers, shall be in fully registered form initially, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”).

3. [Establishment of Issue Price.

(a) The Underwriter agrees to assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at Closing an “issue price” or similar certificate substantially in the form attached hereto as Appendix B, together with the supporting pricing wires or equivalent communications, with modifications to such certificate as may be deemed appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel (defined herein), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

(b) [Except for the maturities set forth in Appendix A attached hereto,] the District will treat the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the

public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test).

(c) [The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the final official statement. Appendix A sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the District or the District’s municipal advisor when the Underwriter has sold 10% of that maturity of the Bonds to the public at [a price] that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

The District acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) in the event that the Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The District further acknowledges that the Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold the offering price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its agreement regarding the hold-the-offering-price rule as applicable to the Bonds.]

(d) The Underwriter confirms that (i) each retail distribution agreement (to which the Underwriter is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter and as set forth in the related pricing wires, and

(ii) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date of execution of this Purchase Contract by all parties.]

4. Redemption. The Bonds shall be subject to redemption as provided in the Resolution and as set forth in Appendix A hereto.

5. Use of Documents. The District hereby authorizes the Underwriter to use, in connection with the offer and sale of the Bonds, this Purchase Contract, the Resolution, an Official Statement (defined below), a Continuing Disclosure Certificate to be entered into by the District (the “Continuing Disclosure Certificate”), that certain Escrow Agreement, (“Escrow Agreement”) to be entered into by and between the District and The Bank of New York Mellon Trust Company, N.A. (the “Escrow Agent”) related to the Refunded Bonds, that certain Costs of Issuance Costs of Issuance Custodian Agreement (the “Costs of Issuance Custodian Agreement”) to be entered into by and between the District and The Bank of New York Mellon Trust Company, N.A., a national banking association (the “Paying Agent”), and all information contained herein and therein and all of the documents, certificates, or statements furnished by the District to the Underwriter in connection with the transactions contemplated by this Purchase Contract.

6. Public Offering of the Bonds. The Underwriter agrees to make a bona fide public offering of all the Bonds at the initial public offering price or yield to be set forth on the inside cover page of the Official Statement. Subsequent to such initial public offering, the Underwriter reserves the right to change such initial public offering price or yield as it deems necessary in connection with the marketing of the Bonds. It shall be a condition to the Underwriter’s obligation to purchase, accept delivery of and pay for the Bonds that the entire principal amount of the Bonds shall be sold and delivered by the District on the Settlement Date.

7. Review of the Official Statement. The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, including the cover page, inside cover page and appendices thereto. The District represents that it deems the Preliminary Official Statement to be final, except for either revisions or additions to the offering price(s), interest rate(s), yield(s) to maturity, Underwriter's discount, aggregate principal amount, principal amount per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities and Exchange Act of 1934, as amended (the "Rule"). The District hereby further authorizes the use of any Updated Official Statement (as defined in Section 10(c)).

The Underwriter agrees that prior to the time the final Official Statement relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first-class mail or electronic distribution (or other equally prompt means) not later than the first business day following the date upon which each such request is received. The District shall provide evidence to the Underwriter that it has deemed the Preliminary Official Statement final as of its date, in accordance with the provisions of the Rule. The Preliminary Official Statement has been prepared for use by the Underwriter in connection with the public offering, sale and distribution of the Bonds.

8. Closing, Settlement and Issuance. At 8:30 a.m., California Time, on November ____, 2018, or at such other time or on such other date as shall have been mutually agreed upon by the District and the Underwriter (the "Closing"), the District will deliver the executed certificates, opinions and other documents required by Section 11 below executed at the offices of Jones Hall, A Professional Law Corporation ("Bond Counsel"), in San Francisco, California (or at such other place as mutually agreed upon by the District and the Underwriter). Assuming the Closing is completed in accordance with the provisions of Section 12 of this Purchase Contract, the District will issue and deliver the Bonds at [8:30 a.m.], California Time, on [June ____, 2019], or at such later date as may be mutually agreed upon by the District and the Underwriter (the "Settlement Date"). In connection with the Settlement Date, the District will deliver or cause to be delivered to the Underwriter, through the facilities of DTC in New York, New York, or at such other place as the District and the Underwriter may mutually agree upon, the Bonds in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and at the offices of Bond Counsel, in San Francisco, California, the other documents hereinafter mentioned, and the Underwriter will accept such delivery and pay the purchase price of the Bonds on the Settlement Date identified in Section 1 hereof in immediately available funds by check, draft or wire transfer to or upon the order of the District.

9. Representations, Warranties and Agreements of the District. The District hereby represents, warrants and agrees with the Underwriter that:

(a) Due Organization. The District is a community college district duly organized and validly existing under the laws of the State of California (the "State"), with the full legal right, power and authority to issue the Bonds pursuant to the Bond Law and the Resolution, and to observe and perform the District's covenants and agreements contained herein and therein.

(b) Due Authorization. (i) At or prior to the Closing and the Settlement Date, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the District has full legal right, power and authority to enter into this Purchase Contract, the Continuing Disclosure Certificate, the Escrow Agreement, and the Costs of Issuance Custodian Agreement, to adopt the Resolution, to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions contemplated by this Purchase Contract, the Costs of Issuance Custodian Agreement and the Resolution; (iii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Bonds, the Resolution, the Escrow Agreement, the Costs of Issuance Custodian Agreement, the Continuing Disclosure Certificate and this Purchase Contract have been duly authorized and such authorization shall be in full force and effect at the time of the Closing and the Settlement Date; (iv) the Resolution has not been amended, modified or rescinded and all representations of the District set forth in the Resolution are true and correct; (v) this Purchase Contract, Continuing Disclosure Certificate, the Escrow Agreement and the Costs of Issuance Custodian Agreement, assuming the due authorization and execution by the other parties thereto, constitute valid and legally binding obligations of the District; and (vi) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Contract and the Resolution.

(c) Consents. No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any person, organization, court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby. The District gives no representation or warranty with regard to compliance with Blue Sky or similar securities requirements.

(d) Internal Revenue Code. The District has complied with the requirements of the Internal Revenue Code of 1986, as amended, applicable to the Bonds.

(e) No Conflicts. The issuance of the Bonds, and the execution, delivery and performance of this Purchase Contract, the Resolution, the Continuing Disclosure Certificate, Escrow Agreement, the Costs of Issuance Custodian Agreement and the Bonds, and the compliance with the provisions hereof, do not conflict with or constitute on the part of the District a violation of or material default under the Constitution of the State of California or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a material default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject.

(f) Litigation. As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the District, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices of the District or of the titles of the officials of the District to such offices; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, or the collection or levy of any taxes contemplated by the Resolution or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Contract, the Continuing Disclosure Certificate, the

Escrow Agreement, the Costs of Issuance Custodian Agreement or the Resolution, contesting the powers of the District or the Resolution or this Purchase Contract or the entitlement of the officers of the District who have signed the Bonds and the various certificates and agreements of the District relating to the issuance and sale of Bonds, to their respective offices; or (iii) in which a final adverse decision could (a) materially adversely affect the operations or financial condition of the District or the consummation of the transactions contemplated by this Purchase Contract, the Continuing Disclosure Certificate, the Escrow Agreement, the Costs of Issuance Custodian Agreement or the Resolution, (b) declare this Purchase Contract to be invalid or unenforceable in whole or in material part, or (c) adversely affect the [exclusion of the interest paid on the Bonds from gross income for federal income tax purposes and the] exemption of such interest from California personal income taxation.

(g) No Other Debt. Between the date hereof and the date of the Closing, without the prior written consent of the Underwriter, the District will not have issued, nor will the County of San Mateo have issued in the name and on behalf of the District, any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement. Between the Closing Date and the Settlement Date, the District will provide notice to the Underwriter if the District, or any person on behalf of the District, issues in the name and on behalf of the District any bonds, notes or other obligations for borrowed money except for such borrowings as may be described or contemplated by the Updated Official Statement.

(h) Certificates. Except as specifically provided therein, any certificates signed by any officer of the District and delivered to the Underwriter shall be deemed a representation and warranty by the District to the Underwriter, but not by the person signing the same, as to the statements made therein.

(i) Continuing Disclosure. The District shall undertake, pursuant to the Resolution and the Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement. Based on a review of its prior undertakings under the Rule, and except as otherwise disclosed in the Official Statement, during the past five years, the District has complied with its previous undertakings with regard to said Rule to provide annual reports or notices of material events, except as set forth in the Official Statement.

(j) Official Statement Accurate and Complete. The Preliminary Official Statement, as of the date thereof, did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. As of the date hereof and at the date of the Closing, the final Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The District makes no representation or warranty as to the information contained in or omitted from the Preliminary Official Statement or the final Official Statement in reliance upon and in conformity with information furnished in writing to the District by or on

behalf of the Underwriter through a representative of the Underwriter specifically for inclusion therein.

Any Updated Official Statement, if one is prepared, at all times subsequent to the date of the Updated Official Statement up to and including the End of the Underwriting Period (defined below) will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

The District agrees that, for a period until 25 days after the End of the Underwriting Period, if any event of which it has actual knowledge occurs which might cause the information in the Official Statement as then in existence to contain any untrue or misleading statement of a material fact or omit to state any fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which such statements were made, not misleading, the District shall promptly notify the Underwriter in writing of the circumstances and details of such event. If, as a result of such event or any other event, it is necessary, in the reasonable judgment of the Underwriter, to amend or supplement the Official Statement so that the Official Statement does not contain any untrue or misleading statement of a material fact or omit to state any fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which such statements were made, not misleading, and if the Underwriter shall have so advised the District, the District shall forthwith cooperate with the Underwriter in the prompt preparation and furnishing to the Underwriter, at the expense of the District, of a reasonable number of copies of an amendment of or a supplement to the Official Statement, in form and substance satisfactory to the Underwriter, which will so amend or supplement the Official Statement so that, as amended or supplemented, it conforms with the foregoing standards. The District shall promptly advise the Underwriter of the commencement of any action, suit, proceeding, inquiry or investigation seeking to prohibit, restrain or otherwise affect the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

For purposes of this Purchase Contract, the “End of the Underwriting Period” is used as defined in Rule 15c2-12 and shall occur on the later of (A) the Settlement Date or (B) when the Underwriter no longer retains an unsold balance of the Bonds. Unless otherwise advised in writing by the Underwriter on or prior to the Settlement Date, or otherwise agreed to by the District and the Underwriter, the District may assume that the End of the Underwriting Period is the Settlement Date.

(k) No Material Adverse Change. The financial statements of, and other financial information regarding the District in the Preliminary Official Statement and to be included in the Official Statement fairly present and will present the financial position and results of the District as of the dates and for the periods therein set forth. Prior to the Closing Date, there will be no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the District.

(l) No Default. The District is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the state of California or the United States relating to the issuance of the Bonds or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District

is a party or to which the District or any of its property or assets is otherwise subject, and no event which would have a material and adverse effect upon the financial condition of the District has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a default or event of default by the District under any of the foregoing.

10. Covenants of the District. The District covenants and agrees with the Underwriter that:

(a) Securities Laws. The District will furnish such information, execute such instruments, and take such other action in cooperation with, and at the expense of, the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions; provided, however, that the District shall not be required to consent to service of process in any jurisdiction in which they are not so subject as of the date hereof;

(b) Official Statement. The District hereby agrees to deliver or cause to be delivered to the Underwriter, by the earlier of (i) the seventh (7th) business day following the date this Purchase Contract is signed or (ii) the date prior to the date of Closing, copies of a final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter and the District (with such changes, if any, and including the cover page, the inside cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto) in such reasonable quantities as may be requested by the Underwriter not later than five (5) business days following the date this Purchase Contract is signed, in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB. The District hereby authorizes the Underwriter to use and distribute the Official Statement in connection with the offering and sale of the Bonds;

(c) Updated Official Statement. At the request of the Underwriter, the District shall prepare one updated Official Statement (an “Updated Official Statement”) between the date of Closing and the Settlement Date, which shall be dated a date not more than two weeks prior to the Settlement Date relating to the Bonds, unless the Underwriter requests the District prepare such document earlier, and gives the District at least 10 business days’ advance written notice of such request, which as of such date, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The Updated Official Statement may consist of either the Official Statement and a supplement thereto or a separate document substantially in the form of the Official Statement updated to its date of delivery. If an Updated Official Statement is prepared, the District shall furnish to the Underwriter, not less than five days prior to the Settlement Date or on such earlier requested date of the Updated Official Statement, copies of the Updated Official Statement in sufficient quantity as requested by the Underwriter to comply with Securities and Exchange Commission Rule 15c2-12(b)(4) and the rules of the MSRB. The Underwriter agrees to promptly file any Updated Official Statement with the MSRB’s Electronic Municipal Market Access (“EMMA”) portal. As used in this Purchase Contract, the term “Official Statement” shall mean (i) at any point in time during the period from the date of the Official Statement mentioned in paragraph (b) of this Section and prior to the date of delivery of any Updated Official Statement to the Underwriter pursuant to this paragraph (d), the Official Statement mentioned in paragraph (b) of this Section, and (ii) from and after the date of such delivery of any Updated Official

Statement, the Updated Official Statement. References herein as to the specific date of the Official Statement shall mean the Official Statement applicable on such date in accordance with the previous sentence.

(d) Subsequent Events. The District hereby agrees to notify the Underwriter of any event or occurrence that may affect the accuracy or completeness of any information set forth in the official Statement relating to the District until the date which is ninety (90) days following the Closing;

(e) Amendments to Official Statement. During the period ending on the 25th day after the End of the Underwriting Period (or such other period as may be agreed to by the District and the Underwriter), the District (i) shall not supplement or amend the Official Statement, or the Updated Official Statement delivered pursuant to Section 10(c) hereof if one is prepared, or cause the Official Statement or Updated Official Statement, as applicable, to be supplemented or amended without the prior written consent of the Underwriter and (ii) shall notify the Underwriter promptly if any event shall occur, or information comes to the attention of the District, that is reasonably likely to cause the Official Statement or Updated Official Statement if one is prepared (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the opinion of the Underwriter, such event requires the preparation and distribution of a supplement or amendment to the Official Statement or Updated Official Statement if one is prepared, the District shall prepare and furnish to the Underwriter such number of copies of the supplement or amendment to the Official Statement or Updated Official Statement, in form and substance mutually agreed upon by the District and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Settlement Date, the District also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement or Updated Official Statement;

(f) Consents and Approvals. After due inquiry, except as may be required under blue sky or other securities laws of any state, or with respect to any permits, consents or approval theretofore received which are in full force and effect or the requirement for which is otherwise disclosed in the Official Statement, there is no consent, approval, authorization or other order of, or filing with, or certification by, any governmental authority, board, agency or commission or other regulatory authority having jurisdiction over the District, other than the Board of Trustees, required for the adoption of the Resolution and execution and delivery of this Purchase Contract, the Continuing Disclosure Certificate, the Escrow Agreement, or the Costs of Issuance Custodian Agreement or the consummation by the District of the transactions contemplated by this Purchase Contract, the Resolution, the Continuing Disclosure Certificate, the Escrow Agreement, the Costs of Issuance Custodian Agreement or the Official Statement; and

(g) Application of Proceeds. The District will apply the proceeds from the sale of the Bonds as described in the Official Statement.

11. Conditions to Closing. The Underwriter has entered into this Purchase Contract in reliance upon the representations and warranties of the District contained herein and the

performance by the District of its obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriter's obligations under this Purchase Contract are and shall be subject at the option of the Underwriter, to the following further conditions at the Closing:

(a) Representations True. The representations and warranties of the District contained herein shall be true, complete and correct in all material respects at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete and correct in all material respects on the date of the Closing, and the District shall be in compliance with each of the agreements made by it in this Purchase Contract;

(b) Obligations Performed. At the time of the Closing, (i) the Official Statement, this Purchase Contract, the Continuing Disclosure Certificate, the Escrow Agreement, the Costs of Issuance Custodian Agreement, and the Resolution shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter; (ii) all actions under the Refunding Bond Law which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) the District shall perform or have performed all of its obligations required under or specified in the Resolution, the Escrow Agreement, the Costs of Issuance Custodian Agreement, this Purchase Contract or the Official Statement to be performed at or prior to the Closing;

(c) Adverse Rulings. No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Contract (and not reversed on appeal or otherwise set aside), or to the best knowledge of the District, pending or threatened which has any of the effects described in Section 9(f) hereof or contesting in any way the completeness or accuracy of the Official Statement;

(d) Marketability Between the Date Hereof and the Closing. The market price or marketability or the ability of the Underwriter to enforce contracts for the sale of the Bonds, at the initial offering prices or yields of the Bonds set forth in the Official Statement, shall not have been materially adversely affected, in the reasonable judgment of the Underwriter (evidenced by a written notice to the District terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds) by reason of any of the following:

(1) legislation enacted by Congress, or a decision rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(i) [by or on behalf of the United States Treasury Department or by or on behalf of the Internal Revenue Service, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of federal income taxation of the interest received by the owners of the Bonds; or]

(ii) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter

thereof, to the effect that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended;

(2) the declaration of war or engagement in major military hostilities by the United States or the occurrence of any other national emergency or calamity relating to the effective operation of the government or the financial markets in the United States;

(3) the declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;

(4) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or obligations of the general character of the Bonds, or securities generally, or the material increase of any such restrictions now in force;

(5) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;

(6) the withdrawal or downgrading of any rating of the District's outstanding indebtedness by a national rating agency; or

(7) any event occurring, or information becoming known which makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(e) Delivery of Documents. At or prior to the date of the Closing, the Underwriter shall receive copies of the following documents in each case dated as of the date of the Closing and satisfactory in form and substance to the Underwriter:

(1) Letter of Counsel Regarding Bond Opinion. A Letter of Bond Counsel dated the date of Closing and addressed to the District and the Underwriter, to the effect that it is not aware of any reason that will prevent it from delivering an opinion of Bond Counsel in the form appended to the final Official Statement as Appendix C on the Settlement Date addressed to the District and a reliance letter thereon addressed to the Underwriter;

(2) Supplemental Opinion. A supplemental opinion of Bond Counsel, dated the date of the Closing and addressed to the District and the Underwriter, to the effect that:

(i) the description of the Bonds and the security for the Bonds and statements in the Official Statement on the cover page thereof and under the captions “INTRODUCTION,” “THE BONDS”, “CONTINUING DISCLOSURE”, “THE FINANCING PLAN”, “SECURITY FOR THE BONDS” and “TAX MATTERS,” to the extent they expressly summarize certain provisions of the Bonds, the Resolution, the Continuing Disclosure Certificate and the form and content of Bond Counsel’s approving opinion with respect to the treatment of interest on the Bonds under California and federal law, fairly and accurately summarize the matters purported to be summarized therein; provided that Bond Counsel need not express any opinion with respect to any financial or statistical data, or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, DTC or information related to its book-entry only system, or Appendices A, B, E or F thereto;

(ii) the Continuing Disclosure Certificate, the Escrow Agreement, and this Purchase Contract have each been duly authorized, executed and delivered by the District and, assuming the due authorization, execution and delivery by the other parties thereto, and constitute legal, valid and binding agreements of the District are enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors’ rights and except as such enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases if equitable remedies are sought and by the limitations on legal remedies against public agencies in the State of California; and

(iii) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolution is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended;

(3) Letter of Bond Counsel Regarding Defeasance Opinion. A letter of Bond Counsel, dated the date of Closing, to the effect that it is not aware of any reason that will prevent Bond Counsel from delivering a defeasance opinion of Bond Counsel, addressed to the District and the Underwriter, with respect to the defeasance of the Refunded Bonds;

(4) Disclosure Counsel Assurance Letter. A letter of Jones Hall, A Professional Law Corporation, dated the date of Closing and addressed to the District, substantially to the effect that based on such counsel’s participation in conferences with representatives of the Underwriter, the financial advisor to the District, the District and others, during which conferences the contents of the Official Statement and related matters were discussed, and in reliance thereon and on the records, documents, certificates and

opinions described therein, such counsel advises the District, as a matter of fact and not opinion, that during the course of its engagement as Disclosure Counsel no information came to the attention of such counsel's attorneys rendering legal services in connection with such representation which caused such counsel to believe that the Official Statement as of its date (except for any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, Appendices A, B, E or F, or information relating to DTC or its book-entry only system included therein, as to which such counsel need express no opinion or view) contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(5) Underwriter's Counsel Opinion. An opinion of counsel to the Underwriter, addressed to the Underwriter, in form and substance satisfactory to the Underwriter;

(6) Certificate of the District. A certificate signed by an appropriate official of the District to the effect that (i) such official is authorized to execute this Purchase Contract, the Escrow Agreement, the Costs of Issuance Custodian Agreement and the Continuing Disclosure Certificate (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of the Closing, (iii) the District has complied with all the terms of the Resolution and this Purchase Contract to be complied with by the District prior to or concurrently with the Closing and, as to the District, such documents are in full force and effect, (iv) such official has reviewed the Official Statement and on such basis certifies that the Official Statement does not contain any untrue statement of a material fact required to be stated therein or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, (v) the Bonds being delivered on the date of the Closing to the Underwriter under this Purchase Contract substantially conform to the descriptions thereof contained in the Resolution, and (vi) no further consent is required for inclusion of the District's audited financial statements in the Official Statement;

(7) District Resolutions. A certificate signed by an appropriate official of the District, together with a fully executed copy of the Resolution, to the effect that:

(i) such copy is a true and correct copy of the Resolution; and

(ii) the Resolution was duly adopted at a meeting duly noticed at which a quorum was present and acting throughout, and has not been modified, amended, rescinded or revoked and is in full force and effect on the date of the Closing;

(8) Official Statement. Certificates of the appropriate officials of the District evidencing their determinations respecting the Preliminary Official Statement in accordance with the Rule;

(9) Receipt. The receipt of the Paying Agent for the deposit of amounts set aside to pay costs of issuance, as described in Section 14 below;

(10) Copies of Documents. Executed copies this Purchase Contract and the Official Statement;

(11) Verification Report. A report and opinion of [_____] with respect to the sufficiency of the defeasance securities, together with interest and earnings thereon and any cash held uninvested, deposited pursuant to the Escrow Agreement to refund the Refunded Bonds as provided in the Escrow Agreement;

(12) Ratings. Evidence that the Bonds have been rated “[_____]” by Moody’s Investors Service and “[_____]” by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC, and that such ratings have not been withdrawn or downgraded; and

(13) Other Documents. Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter may reasonably request to evidence compliance (i) by the District with legal requirements, (ii) the truth and accuracy, as of the time of the Closing, of the representations of the District herein contained, (iii) the truth and accuracy, as of the time of the Closing, of the Official Statement and (iv) the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

(f) Termination. Notwithstanding anything to the contrary herein contained, if for any reason whatsoever the Bonds shall not have been delivered by the District to the Underwriter as provided in Section 8 herein, then the obligation to purchase Bonds hereunder shall terminate and be of no further force or effect.

If the District shall be unable to satisfy the conditions to the Underwriter’s obligations contained in this Purchase Contract or if the Underwriter’s obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be canceled by the Underwriter at, or at any time prior to, the time of Settlement. Notice of such cancellation shall be given to the District in writing or by telephone or telegraph, confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter in writing at its sole discretion.

12. Conditions to Settlement. (a) the Underwriter’s obligation to purchase, to accept delivery of and to pay for the Bonds at the Settlement shall be conditioned upon the performance by the District of its obligations to be performed hereunder, including, without limitation, the Closing having been completed, and the District having tendered performance of its obligations Under Section 8 hereof with respect to the Settlement, which Settlement shall not be completed unless the Underwriter receives at the time of the Settlement the following:

(1) Updated Official Statement. Any Updated Official Statement, if requested by the Underwriter pursuant to Section 10(c) hereof, and each supplement or amendment thereto, and such number of copies as the Underwriter shall reasonably require;

(2) Bond Opinion and Reliance Letter. An approving opinion of Bond Counsel, as to the validity and tax status of the Bonds, dated the Settlement Date, addressed to the District and in the form appended to the final Official Statement as Appendix C, together with a reliance letter from Bond Counsel to the effect that the Underwriter may rely upon the approving opinion described above;

(3) Additional Supplemental Opinion. A supplemental opinion of Bond Counsel, dated the Settlement Date and addressed to the District and the Underwriter, to the following effect, provided that, if an Updated Official Statement is required, references therein to the Official Statement shall mean such Official Statement, as updated by the Updated Official Statement:

(i) the description of the Bonds and the security for the Bonds and statements in the Official Statement on the cover page thereof and under the captions "INTRODUCTION," "THE BONDS", "CONTINUING DISCLOSURE", "THE FINANCING PLAN", "SECURITY FOR THE BONDS" and "TAX MATTERS," to the extent they expressly summarize certain provisions of the Bonds, the Resolutions, the Continuing Disclosure Certificate and the form and content of Bond Counsel's approving opinion with respect to the treatment of interest on the Bonds under California and federal law, fairly and accurately summarize the matters purported to be summarized therein; provided that Bond Counsel need not express any opinion with respect to any financial or statistical data, or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, DTC or information related to its book-entry only system, or Appendices A, B or E thereto;

(ii) the Continuing Disclosure Certificate, the Escrow Agreement, and this Purchase Contract have each been duly authorized, executed and delivered by the District and, assuming the due authorization, execution and delivery by the other parties thereto, and constitute legal, valid and binding agreements of the District are enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and except as such enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases if equitable remedies are sought and by the limitations on legal remedies against public agencies in the State of California; and

(iii) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolutions is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended;

(4) Defeasance Opinion. A defeasance opinion of Bond Counsel, addressed to the District and the Underwriter, with respect to the defeasance of the Refunded Bonds;

(5) Additional Disclosure Counsel Assurance Letter. A letter of Jones Hall, A Professional Law Corporation, dated the Settlement Date and addressed to the District, substantially to the effect that based on such counsel's participation in conferences with representatives of the Underwriter, the financial advisor to the District, the District and others, during which conferences the contents of the Official Statement, or Updated Official Statement if one is prepared, and related matters were discussed, and in reliance thereon and on the records, documents, certificates and opinions described therein, such counsel advises the District, as a matter of fact and not opinion, that during the course of its engagement as Disclosure Counsel no information came to the attention of such counsel's attorneys rendering legal services in connection with such representation which caused such counsel to believe that the Official Statement, or Updated Official Statement if one is prepared, as of its date (except for any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, Appendices A, B or E, or information relating to DTC or its book-entry only system included therein, as to which such counsel need express no opinion or view) contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(6) District Resolution. A certificate signed by an appropriate official of the District, together with a fully executed copy of the Resolution, to the effect that:

- (i) such copy is a true and correct copy of the Resolution; and
- (ii) the Resolution were duly adopted at a meeting duly noticed at which a quorum was present and acting throughout, and have not been modified, amended, rescinded or revoked and are in full force and effect on the Settlement Date.

(7) Certificate of the District. A certificate signed by an appropriate official of the District to the effect that (i) such official is authorized to execute the certificate, (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of the Settlement Date, (iii) the District has complied with all the terms of the Resolution, the Continuing Disclosure Certificate, and this Purchase Contract to be complied with by the District prior to or concurrently with the Settlement Date and, as to the District, such documents are in full force and effect, (iv) such official has reviewed the Official Statement, and Updated Official Statement, if one is prepared, and on such basis certifies that the Official Statement, or Updated Official Statement, if one is prepared does not contain any untrue statement of a material fact required to be stated therein or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, (v) the Bonds being delivered on the Settlement Date to the Underwriter under this Purchase Contract substantially conform to the descriptions thereof contained in the Resolution, (vi) no further consent is required for inclusions of the audit in the Official Statement or

Updated Official Statement, if one is prepared, and (vii) no event concerning the District has occurred since the date of the Official Statement, or Updated Official Statement if one is prepared which has not been disclosed therein or in any supplement thereto, but should be disclosed in order to make the statements in the Official Statement, or Updated Official Statement, if one is prepared, in light of the circumstances in which they were made not misleading;

(8) Ratings. Evidence acceptable to the Underwriter (which may include information published on the respective websites for S&P and Moody's) stating the current respective ratings on the Bonds as of the Settlement Date; provided, however, that such ratings need not be the same ratings that were expected as of the date of Closing;

(9) [Tax Certificate. A tax and nonarbitrage certificate of the District in form satisfactory to Bond Counsel with respect to the Bonds];

(10) Copies of Documents. Executed copies of the Costs of Issuance Custodian Agreement, the Continuing Disclosure Certificate, the Escrow Agreement, this Purchase Contract and the Official Statement, duly executed by the District;

(11) Certificate of the Verification Agent. A certificate of the Verification Agent, dated the Settlement Date, to the effect that it has verified the accuracy of the mathematical computations with respect to the sufficiency of the Federal Securities (defined in the Escrow Agreement), together with the interest and earning thereon and any cash held uninvested, held under the Escrow Agreement to refund the Refunded Bonds as provided in the Escrow Agreement and confirming the accuracy of the information in the Verification Report;

(12) Certificate of Paying Agent and Escrow Agent. A certificate of the Paying Agent and Escrow Agent, dated the date of the Closing, that as of the date of the Closing: (a) the Paying Agent and Escrow Agent is duly organized and existing as a national banking association under the laws of the United States of America, in good standing under the laws of the United States of America, and has the full power and authority to enter into and perform its duties under the Resolution, the Escrow Agreement, and the Costs of Issuance Custodian Agreement; (b) the Paying Agent and Escrow Agent is duly authorized to accept and perform its duties under the Resolution and enter into Costs of Issuance Custodian Agreement and Escrow Agreement; (c) the Costs of Issuance Custodian Agreement and Escrow Agreement have been duly authorized, executed and delivered by the Paying Agent and Escrow Agent, and assuming due authorization, execution and delivery by the District, constitute the legal, valid and binding obligations of the Paying Agent and Escrow Agent, each enforceable in accordance with its terms; (d) the execution and delivery by the Paying Agent of the Costs of Issuance Custodian Agreement and the Escrow Agent of the Escrow Agreement, and the acceptance and performance of the Paying Agent and Escrow Agent's duties under the Resolution, and compliance with the terms thereof, will not, in any material respect, conflict with, or result in a violation or breach of, or constitute a default under, any material agreement or material instrument to which the Paying Agent and Escrow Agent is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or

body having jurisdiction over the Paying Agent and Escrow Agent or any of its activities or properties, which conflict, breach or default would materially adversely affect the ability of the Paying Agent and Escrow Agent to perform its obligations under the Resolution, the Costs of Issuance Custodian Agreement or the Escrow Agreement, (e) exclusive of federal or state securities laws and regulations, other than routine filings required to be made with governmental agencies in order to preserve the Paying Agent and Escrow Agent's authority to perform a trust business (all of which routine filing, to the best of the Paying Agent and Escrow Agent's knowledge, have been made), no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Paying Agent and Escrow Agent is or will be required for the execution and delivery by the Paying Agent of the Costs of Issuance Custodian Agreement or by the Escrow Agent of the Escrow Agreement or the acceptance and performance of the Paying Agent and Escrow Agent's duties under the Resolution; and (f) to the Paying Agent and Escrow Agent's knowledge, there is no litigation pending or threatened against or affecting the Paying Agent and Escrow Agent to restrain or enjoin the Paying Agent and Escrow Agent's participation in, or in any way contesting the powers of the Paying Agent and Escrow Agent with respect to the transactions contemplated by the Resolution, the Costs of Issuance Custodian Agreement and the Escrow Agreement;

(13) Underwriter's Counsel Opinion. An opinion, dated the Settlement Date addressed to the Underwriter, of counsel to the Underwriter, in such form and substance satisfactory to the Underwriter;

(14) Required Filings. Evidence of the preparation and/or filing of the Initial and Final Report of Sale with the California Debt and Investment Advisory Commission and Form 8038-G with the Internal Revenue Service; and

(15) Other Documents. Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel or the Underwriter may reasonably request to evidence compliance (i) by the District with legal requirements, (ii) the truth and accuracy, as of the Settlement Date, of the representations of the District herein contained and of the Official Statement, and (iii) the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

(b) The Underwriter shall have the right to terminate its obligations to purchase the Bonds without liability therefore by written notification to the District if at any time on or after the Closing:

(1) there shall have been a Change in Law (defined below);

(2) legislation is enacted, or a decision by a court of the United States is rendered, or any action is taken by, or on behalf of, the Securities and Exchange Commission which has the effect of requiring the Bonds to be registered under, or the sale thereof to be in violation of, the Securities Act of 1933, as amended or has the effect of requiring the Resolution to be qualified under the Trust Indenture Act of 1939, as amended, or, in each case, any law analogous thereto relating to governmental bodies;

(3) as a result of any legislation, regulation, ruling, order, release, court decision or judgment or action by the U.S. Department of Treasury, the Internal Revenue Service, or any agency of the State either enacted, issued, effective, adopted or proposed, or for any other reason Bond Counsel cannot issue an opinion to the effect that [(a) the interest on the Bonds is not subject to federal income tax under Section 103 of the Code (or comparable provisions of any successor federal tax laws) and (b)] the interest on the Bonds is not exempt from the State of California income taxation;

(4) the Official Statement as of Closing contained an untrue statement or misstatement of material fact or the Official Statement omitted a material fact, or the Updated Official Statement to be provided by the District pursuant to 10(c) hereof, as of the Settlement Date, contains an untrue statement or misstatement of material fact or omits to state a material fact necessary in order to make the statements and information contained therein not misleading in any material respect;

(5) the declaration of a general banking moratorium by federal, New York or California authorities and it is in effect as of the Settlement Date or the general suspension of trading on any national securities exchange, or

(6) evidence of the ratings on the Bonds is not delivered on or prior to the Settlement Date.

“Change in Law” means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts or by federal or state agencies, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies; (ii) any legislation enacted by the Congress of the United States (if such enacted legislation has an effective date which is on or before the Settlement Date), (iii) any law, rule or regulation enacted by any governmental body, department or agency (if such enacted law, rule or regulation has an effective date which is on or before the Settlement Date) or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case would, (A) as to the Underwriter prohibit the Underwriter from completing the underwriting of the Bonds or selling the Bonds or the beneficial ownership interests therein to the public, or (B) as to the District, would make the completion of the issuance, sale or delivery of the Bonds illegal; provided, however, that such change in or addition to law, legislation, rule or regulation, or judgment, ruling or order shall have become effective, been enacted, introduced or recommended, or been proposed or been issued, as the case may be, subsequent to the date of the execution of the Purchase Contract. [If the Change of Law involves the enactment of legislation which only diminishes the value of, as opposed to eliminating the exclusion from gross income for federal income tax purposes, interest payable on “state or local bonds,” the District may, nonetheless, be able to satisfy the requirements for the delivery of the Bonds.]

13. Conditions to Obligations of the District. The performance by the District of its obligations is conditioned upon (i) the performance by the Underwriter of its obligations hereunder; and (ii) receipt by the District and the Underwriter of the opinions and certificates being delivered at the Closing by persons and entities other than the District.

14. Costs and Expenses. Pursuant to the Costs of Issuance Custodian Agreement, the District shall cause the Paying Agent to pay all costs and expenses incurred in the issuance and sale of the Bonds, including but not limited to the fees and expenses of Bond Counsel, Disclosure Counsel and the financial advisor, the fees of rating agencies, the fees of the verification agent, the Escrow Agent, the cost of the printing and distribution of the Official Statement, initial fees and expenses of the Paying Agent and meal, transportation, lodging, entertainment and deal memento expenses of its own officials and employees.

All out-of-pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, fees of Underwriter's counsel, travel and other expenses (except as provided above), shall be paid by the Underwriter.

15. Notices. Any notice or other communication to be given under this Purchase Contract (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the District, to the Vice Chancellor, Business Services, San Mateo County Community College District, 3401 CSM Drive, San Mateo, California 94402 or if to the Underwriter, Morgan Stanley & Co. LLC, 555 California Street, Suite 2200, San Francisco, CA 94104, Attention: John Sheldon.

16. Parties in Interest; Survival of Representations and Warranties. This Purchase Contract when accepted by the District in writing as heretofore specified shall constitute the entire agreement among the District and the Underwriter. This Purchase Contract is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter). No person shall acquire or have any rights hereunder or by virtue hereof. All the representations, warranties and agreements of the District in this Purchase Contract shall survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Bonds hereunder, and (c) any termination of this Purchase Contract.

17. Severability. In the event any provision of this Purchase Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

18. Nonassignment. Notwithstanding anything stated to the contrary herein, neither party hereto may assign or transfer its interest herein, or delegate or transfer any of its obligations hereunder, without the prior written consent of the other party hereto.

19. Entire Agreement. This Purchase Contract, when executed by the parties hereto, shall constitute the entire agreement of the parties hereto (including their permitted successors and assigns, respectively).

20. Execution in Counterparts. This Purchase Contract may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document

21. Applicable Law. This Purchase Contract shall be interpreted, governed and enforced in accordance with the law of the State of California applicable to contracts made and performed in such State.

Respectfully submitted,

MORGAN STANLEY & CO. LLC

By: _____
Authorized Officer

Accepted: November ____, 2018

SAN MATEO COUNTY COMMUNITY
COLLEGE DISTRICT

By: _____
Executive Vice Chancellor

APPENDIX A

Maturity Schedule

**\$ _____
SAN MATEO COUNTY
COMMUNITY COLLEGE DISTRICT
(County of San Mateo, California)
2018 General Obligation Refunding Bonds
[Federally Taxable](Forward Delivery)**

<u>Maturity Date (September 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP (799038)</u>	<u>Applicable Issue Price Rule</u>
--	-----------------------------	--------------------------	--------------	--------------	---------------------------	--

Redemption Provisions

Optional Redemption. The Bonds maturing on or before September 1, 20__ are not subject to redemption prior to their respective maturity dates. The Bonds maturing on or after September 1, 20__, are subject to redemption prior to their stated maturity dates, at the option of the District, from any source of available funds, in whole or in part on any date on or after September 1, 20__, at a redemption price equal to the principal amount of the Bonds called for redemption, without premium, together with interest accrued thereon to the date of redemption

Mandatory Sinking Fund Redemption. The Bonds maturing on September 1, 20__ (the “Term Bonds”) are subject to mandatory sinking fund redemption in part by lot in accordance with the schedules set forth below. The Bonds so called for mandatory sinking fund redemption shall be redeemed at the principal amount of such Term Bonds to be redeemed, plus accrued but unpaid interest, without premium.

Term Bonds Maturing September 1, 20__

Mandatory Sinking Fund Redemption Date	Principal Amount to be Redeemed
---	---------------------------------------

† Maturity.

If any such Term Bonds are redeemed pursuant to optional redemption, the total amount of all future sinking fund payments with respect to such Term Bonds shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such payments on a pro rata basis in integral multiples of \$5,000 principal amount (or on such other basis as the District may determine) as set forth in written notice given by the District to the Paying Agent.

APPENDIX B

[FORM OF ISSUE PRICE CERTIFICATE

\$ _____
**SAN MATEO COUNTY
COMMUNITY COLLEGE DISTRICT
(County of San Mateo, California)
2018 General Obligation Refunding Bonds
[Federally Taxable] (Forward Delivery)**

The undersigned, on behalf of Morgan Stanley & Co. LLC (the “Underwriter”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. Sale of the 10% Maturities. As of the date of this Certificate, for each Maturity of the 10% Maturities, the first price at which a Substantial Amount of such Maturity of the 10% Maturities was sold to the Public is the respective price listed in Schedule A.

2. Initial Offering Price of the Undersold Maturities.

(a) The Underwriter offered the Undersold Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this Certificate as Schedule B.

(b) As set forth in the Purchase Contract, the Underwriter has agreed in writing that, for each Maturity of the Undersold Maturities, it would neither offer nor sell any of the unsold Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Offering Period for such Maturity, nor would it permit a related party to do so. Pursuant to such agreement, the Underwriter has neither offered nor sold any unsold bonds in a Maturity of the Undersold Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Offering Period.

3. Defined Terms.

(a) *10% Maturities* means those Maturities of the Bonds shown in Schedule A hereto as the “10% Maturities.”

(b) *Issuer* means San Mateo County Community College District.

(c) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(d) *Offering Period* means, with respect to an Undersold Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date ([November ___, 2018]), or (ii) the date on which the Underwriter has sold a Substantial Amount

of such Undersold Maturity to the Public at a price that is no higher than the Initial Offering Price for such Undersold Maturity.

(e) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than a Regulatory Underwriter or a related party to a Regulatory Underwriter. The term “related party” for purposes of this Certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(f) *Regulatory Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [November ___, 2018].

(h) *Substantial Amount* means ten percent.

(i) *Undersold Maturities* means those Maturities of the Bonds shown in Schedule A hereto as the “Undersold Maturities.”

We have performed these calculations with the express understanding and agreement of Bond Counsel and the Issuer that, notwithstanding the performance of these calculations and the delivery of this letter: (i) in doing so we are not acting as a Municipal Advisor (as defined in Section 15B of the Securities Exchange Act); (ii) we do not have a fiduciary duty to the Issuer, and (iii) we are not to be construed as a “paid preparer” of any tax returns of the Issuer, including specifically (but not limited to) Form 8038-G.

In performing the above calculations, we remind you that we are not accountants or actuaries, nor are we engaged in the practice of law. Accordingly, while we believe the calculations described above to be correct, we do not warrant them to be so, nor do we warrant their validity for purposes of the Internal Revenue Code of 1986, as amended.

The representations set forth in this certificate are limited to factual matters only. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein. Nothing in this certificate represents the Representative's interpretation of any laws. The Underwriter understands that the Issuer will rely on the foregoing certifications in its certificates as to tax matters, [including arbitrage, under the Internal Revenue Code of 1986, as amended, and Bond Counsel will rely on the foregoing certifications in rendering its opinion on the exclusion from federal gross income of the interest on the Bonds and the exemption from certain taxes of the Bonds and the interest thereon.]

MORGAN STANLEY & CO. LLC
as Underwriter

By: _____

Name: _____

Dated: [November __, 2018]

SCHEDULE A

SCHEDULE B

BOARD REPORT NO. 18-9-104B

TO: Members of the Board of Trustees

FROM: Ron Galatolo, Chancellor

PREPARED BY: Michele I. Muller, KCSM Director of Technology, 524-6908
Dante Betteo, KCSM-FM Station Manager, 524-6903
Susan Harrison, Director, General Services, 358-6879

AUTHORIZATION OF SOLE SOURCE PURCHASE OF TRANSMITTER FOR KCSM-FM

Significant changes have occurred in the operation and efficiency of FM transmitters over the last decade. KCSM-FM would like to take advantage of these developments with the acquisition of a replacement for its 14 year old FM transmitter.

KCSM staff investigated three manufacturers of transmitters and determined that only one supplier, GatesAir, manufactures and sells the appropriate transmitter for this application. The District is seeking authorization for a sole source purchase, in the amount of \$119,309.57, to purchase a Flexiva Series, Solid-State, Analog and HD Radio FM Transmitter system and its installation from GatesAir Inc. The sole source benefits include the following:

- Our current transmission system includes primary and backup transmitters manufactured and configured by Harris/Gates Air, a reputable, mainstream transmission system manufacturer.
- KCSM-FM has had a relationship with a high degree of confidence with Harris/ Gates Air for many years.
- A single service relationship is more efficient and likely more cost effective than servicing a transmission system comprised of products from two manufacturers.
- Components of our existing primary transmission system will work with the targeted Harris/Gates Air transmitter.
- Through operation of our current primary transmitter, KCSM-FM engineers have experience with Harris/Gates software that is consistent with the targeted Harris/Gates Air transmitter.

The existing transmitter, in service since 2004, will be retired to stand-by status to be used during maintenance of the new Flexiva system. The current stand-by transmitter, in service since 1995, will be removed from service.

Gates requires a down payment of one-third of the total price to place the order and start the transmitter build, one-third to ship it once it is completed, and the rest upon completion of the project.

Additional costs will be incurred in order to complete modifications to the electrical service to feed the new transmitter. This work will be handled under a separate contract and coordinated through the District's Facilities Planning and Operations department.

The project will be funded through money available from KCSM-FM's budget surplus.

RECOMMENDATION

It is recommended that the Board of Trustees authorize a sole source purchase of the Flexiva 10kW Solid State Transmitter Package from GatesAir as described above, in the amount of \$119,309.57.

BOARD REPORT NO. 18-9-105B

TO: Members of the Board of Trustees

FROM: Ron Galatolo, Chancellor

PREPARED BY: José D. Nuñez, Vice Chancellor, Facilities Planning, Maintenance and Operations, 358-6836
Yanelly Pulido, Construction Procurement, Risk and Contract Manager, 358-6863

APPROVAL OF CONSTRUCTION CONSULTANTS

To fulfill the requirements of its Capital Improvement Program, the District must retain consulting expertise and various construction consulting services. The professional services required by the District in support of its Capital Improvement Program are temporary or specialized in nature and District employees do not provide such expertise. Services provided include architectural and design, engineering, master scheduling, project management, program information and project controls, building commissioning, construction testing and inspection, environmental testing, construction-related legal services and documentation for construction planning, as required by the State Chancellor's office.

Listed below are prequalified consultants that the District will have under contract in support of CIP3 planning, design and construction efforts.

Firm	Board Approval Requested	Activity/Projects
Allana Buick & Bers, Inc.	\$250,000	Building Envelope and Waterproofing Architectural, Engineering and Consulting Services for Districtwide Projects
Carducci & Associates Inc.	\$50,000	Landscape Architectural Services for Districtwide Projects
Cody Anderson Wasney Architects Inc.	\$200,000	Architectural Services for CSM Building 17 Learning Communities Modernization Project
DP Advanced Engineering Inc.	\$25,000	Engineering Services for Skyline College Ridge Faculty/Staff Housing Project
Engeo Inc.	\$50,000	Geotechnical Services for Skyline College Ridge Faculty Staff/Housing Project
GRD Energy	\$250,000	Energy Efficiency and Monitoring Services for CIP3 Program and Districtwide Projects
Group 4	\$100,000	Facility Condition Assessment Services and Architectural and Design Services for Skyline College Projects
HortScience, Inc Bartlett Consulting	\$100,000	Horticultural, Arboricultural and Urban Forestry Consulting Services for Skyline College Ridge Faculty/Staff Housing Project
ICF	\$100,000	Consulting Services for CEQA and Associated EIR Reports and Development of Mitigation Measures
Intelligent Technologies and Services, Inc.	\$25,000	Consulting Services for District Office Server Room Fire Suppression System

KTGY Group Inc.	\$650,000	Architectural Services for Skyline College Ridge Faculty/Staff Housing Project
Leland Saylor Associates	\$100,000	Cost Estimating Services and Design-Build Peer Review Estimates for Districtwide Projects
Noll & Tam Architects	\$100,000	Districtwide Capital Planning Services
One Workplace L Ferrari LLC	\$75,000	Standard Office Layouts and Furniture Catalog Design Services for Districtwide Projects
Tarrar Utility Consultants	\$100,000	Utility Planning and Assessment Service for Skyline College Ridge Faculty/Staff Housing Project
TBD Consultants	\$100,000	Cost Estimating Services for Districtwide Projects
Testing Engineers Inc.	\$100,000	Construction Materials Testing and Special Inspections Services for DW Projects
The Denali Group	\$100,000	Environmental Testing & Hazardous Abatement Design Services for Districtwide Projects
Transitions	\$100,000	Space Planning and Move Management Services for Districtwide Projects
Van Dorn Abed Landscape	\$100,000	Landscape Architectural Services for Skyline College Ridge Faculty/Staff Housing Project
Verde Design	\$100,000	Districtwide Architectural Services and other Civil Engineering needs as required

Funding sources for construction consultant services include Measure H general obligation bond, State and local funds.

RECOMMENDATION

It is recommended that the Board of Trustees approve these construction consultant services, as detailed above, in an amount not to exceed \$2,775,000.

BOARD REPORT NO. 18-9-4C

TO: Members of the Board of Trustees
FROM: Ron Galatolo, Chancellor
PREPARED BY: Mitchell Bailey, Chief of Staff, 574-6510

DISCUSSION WITH AFSCME REGARDING INTERESTS IN FUTURE NEGOTIATIONS

At its meeting on April 25, 2018, the Board of Trustees explored with representatives from the District's three collective bargaining units (AFSCME, AFT and CSEA) a process for discussing interests for future negotiations.

The representative from AFSCME expressed general interest in pursuing this opportunity. Subsequently, AFSCME informed staff that they would like to hold the discussion with the Board at the meeting of September 26.