

OHLONE COMMUNITY COLLEGE DISTRICT

MEMORANDUM

TO: BOARD OF TRUSTEES

FROM: DOUGLAS TREADWAY

DATE: JUNE 8, 2005

SUBJECT: APPROVAL OF RESOLUTION NO.23/04-05: AUTHORIZING THE
ISSUANCE OF THE OHLONE COMMUNITY COLLEGE DISTRICT
(ALAMEDA COUNTY, CALIFORNIA) ELECTION OF 2002 GENERAL
OBLIGATION BONDS, SERIES B

District staff believes that its remaining cash proceeds from the Series A bond issuance will be depleted by September. In order to insure that the District has ample cash resources to pay all of its bond related expenses expeditiously, the District must prepare for its next issuance, Series B.

Mr. Don Eichelberger, the Bond Program Manager, has prepared cash flow projections given his best estimates of the timing of the various bond projects that are planned. The attached cash flow projections indicate that the District will utilize at least 95% of its remaining bond authorization over the next three years. Mr. David Casnocha, the District's Bond Counsel, informed staff that as long as cash projections indicate that at least 85% of the remaining bond authorization can be spent within a three year period, then the District can justify the issuance of its remaining authorization. Accordingly, staff is recommending that the Board of Trustees approve Resolution No. 23/04-05, authorizing the issuance of Ohlone Community College District General Obligation Bonds, Series B in the amount of \$110 million.

After the Board's approval of this resolution, staff, along with the District's bond counsel and underwriting team can initiate the preparation of a multitude of financial documents and analyses that will be required for presentations to rating agencies in July. The actual sale of the Series B bonds will most likely occur in early August.

RECOMMENDATION:

The President/Superintendent recommends that the Board of Trustees approve Resolution No. 23/04-05, authorizing the issuance of Ohlone Community College District General Obligation Bonds, Series B in the amount of \$110 million.