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**WEST VALLEY-MISSION
COMMUNITY COLLEGE DISTRICT
BOARD OF TRUSTEES MEETING**

**TUESDAY, AUGUST 07, 2012
FOCUS TOPIC MEETING**

West Valley College, 14000 Fruitvale Avenue, Saratoga, CA
 Public Session 6:00 p.m. Fox 211
 Closed Session 6:01 p.m. Fox 211
 Public Session 7:00 p.m. Board Room

1.0 CALL TO ORDER - PUBLIC SESSION

1.1 Roll Call Oral

1.2 Oral Communication from the Public on Closed Session Agenda
 Members of the audience may address the Board on any item listed on the Closed Session agenda. Comments will be limited to three (3) minutes per agenda item, with a total of fifteen (15) minutes of public comment on an item unless waived by the Board. Oral

2.0 ADJOURN TO CLOSED SESSION

Provide direction to Kevin Dale, Esq., Acting Associate Vice Chancellor of Human Resources Sarah Carvalho Khan, and Chancellor Patrick Schmitt, District designated representatives, regarding negotiations with ACE, WVMCEA, Teamsters, and POA (Government Code 54957.6); and to Chancellor Patrick Schmitt regarding unrepresented groups.

3.0 RECONVENE PUBLIC SESSION

3.1 Pledge of Allegiance Oral

3.2 Report of Closed Session Action Oral

3.3 Approval of the Order of the Agenda (A) Oral

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3.5 Presentations/Recognitions - None Oral

3.6 Oral Communications from the Public
 This portion of the meeting is reserved for persons desiring to address the Board on any matter not on the agenda. No action will be taken.

3.7 Written Communications from the Public Oral

4.0 UNFINISHED BUSINESS - None

APPROVAL OF CONSENT AGENDA ACTION ITEMS – There are no consent agenda items.

REGULAR ORDER OF AGENDA

(A) = Action (I) = Information

*In compliance with the Americans with Disabilities Act, individuals needing special accommodations should contact the Chancellor’s Office at 408-741-2011 one week prior to the meeting date.

- 5.0 COLLEGE PROGRAMS AND SERVICES - None
- 6.0 HUMAN RESOURCES - None
- 7.0 BUSINESS AND FINANCE
- 7.1 RESOLUTION NO. 12080701 AUTHORIZING THE ISSUANCE OF WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT GENERAL OBLIGATION BONDS, ELECTION OF 2012, SERIES A (A) 12
 Recommendation: That the Board of Trustees authorize the adoption of Resolution No. 12080701 authorizing the issuance of Series A of Measure C bonds in an aggregate principal amount not-to-exceed \$100,000,000.
[7.1 Issuance of Measure C bonds, 2012 Series A](#)
[Attach. 7.1 Measure C, Series A](#)
- 7.2 RESOLUTION NO. 12080702 AUTHORIZING THE ISSUANCE OF WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT GENERAL OBLIGATION REFUNDING BONDS (A) 50
 Recommendation: That the Board of Trustees authorize the adoption of Resolution No. 12080702 authorizing the issuance of 2012 General Obligation Refunding Bonds in an aggregate principal amount not-to-exceed \$40,000,000.
[7.2 RESOLUTION NO. 12080702 AUTHORIZING THE ISSUANCE OF WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT GENERAL OBLIGATION REFUNDING BONDS](#)
[Attach. 7.2 2012 GO Refunding Bonds](#)
- 7.3 FOCUS TOPIC (I) Oral
 WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT PORTAL
 The Board of Trustees will receive information regarding the WVM Portal, a website serving as a single entry point for faculty, staff, and students to access services such as Datatel, MyWebServices, links, email, announcements, calendars, forms, information and messages. Presenters: Ron Smith, Penny Johnson, Victoria Hindes, Angelica Bangle, and Rita Grogan.
- 8.0 BOARD
- 8.1 DISCUSSION OF LATINO ENROLLMENT AT WEST VALLEY AND MISSION COLLEGES, INCLUDING ENROLLMENT TRENDS AT BOTH COLLEGES, EXPECTED POPULATION DEMANDS FOR COMING YEARS, AND STUDENT SUCCESS MARKERS (I) Oral
 Trustee Chris Stampolis requested that a Board discussion of Latino enrollment at West Valley and Mission Colleges, including enrollment trends at both Colleges, expected population demands for coming years, and student success markers, be agendized.

**9.0 INFORMATION REPORTS AND ITEMS FOR FUTURE BOARD
CONSIDERATION**

9.1 TRUSTEE COMMENTS

(I) Oral

ADJOURNMENT

UNAPPROVED MINUTES OF THE JULY 17, 2012, BOARD OF TRUSTEES MEETING

ITEM 3.4
ACTION ITEM
AUGUST 7, 2012

PREPARED BY: TRACY JOHNSON

1.0 CALL TO ORDER - PUBLIC SESSION

Public session was called to order at 6:01 p.m.

1.1 Roll Call

Board President Adrienne Grey; Trustees Nick Heimlich, Jack Lucas, Bob Owens, Buck Polk, Chris Stampolis, and Chad Walsh; and Chancellor Patrick Schmitt.

Student Trustees: Daniel Likins and David O'Shea (7:00 p.m.)

1.2 Oral Communications from the Public on Closed Session Agenda

There were none.

2.0 ADJOURN TO CLOSED SESSION

The Board adjourned to Closed Session at 6.02 p.m. There was one agenda item:

Provide direction to Kevin Dale, Esq., Acting Associate Vice Chancellor of HR Sarah Carvalho Khan, and Chancellor Patrick Schmitt, District designated representatives, regarding negotiations with ACE, WVMCEA, Teamsters, and POA (Government Code 54957.6); and to Chancellor Patrick Schmitt regarding unrepresented groups.

3.0 RECONVENE PUBLIC SESSION

Public Session reconvened at 7:03 p.m.

3.1 Pledge of Allegiance

Board President Grey led all present in the Pledge of Allegiance.

3.2 Report of Closed Session Action

Board President Grey indicated that no action had been taken.

3.3 Approval of the Order of the Agenda

Board President Grey announced that Item 8.4, Appointment of Secretary to the Board of Trustees, was being moved forward to precede Item 3.4.

Action Taken:

It was M/S/P 7/0/0 (Stampolis/Owens) to approve the Order of Agenda as amended.

Student Trustees: Two yes votes.

8.4 APPOINTMENT OF SECRETARY TO THE BOARD OF TRUSTEES

Action Taken:

It was M/S/P 7/0/0 (Stampolis/Polk) to appoint Chancellor Patrick Schmitt as Secretary to the Board of Trustees for the remainder of the 2012 calendar year.

Student Trustees: Two yes votes.

3.4 Approval of the Minutes of the June 19, 2012, Special Study Session and the June 19, 2012, Regular Meeting of the Board of Trustees.

A discussion was held.

Action Taken:

It was M/S/P 7/0/0 (Lucas/Stampolis) to approve the minutes of the June 19, 2012, Special Study Session and the June 19, 2012, Regular Meeting of the Board of Trustees, as presented.

Student Trustees: Two yes votes.

UNAPPROVED MINUTES OF THE JULY 17, 2012, BOARD OF TRUSTEES MEETING

3.5 Presentations/Recognitions

Educational and Student Services Presentation: Mission College Pathway to Institutional Effectiveness

Mission College President Laurel Jones and Director of Planning, Research, and Institutional Effectiveness Daniel Peck provided the Board with information regarding institutional effectiveness at Mission College, including the following:

Buzzwords commonly associated with institutional effectiveness are:

- Accreditation
- Program review
- Learning outcomes
- Strategic goals
- Integrated planning
- Institutional self-evaluation
- Sustainable, continuous quality improvement

Regional accreditation provides assurance to the public, students, and other institutions that an institution is achieving its stated mission. It gives credibility to degrees and credentials awarded to students. It stimulates institutional improvements through evaluation, planning, implementation, and evaluation again.

In the framework of institutional effectiveness at Mission College, integrated planning provides a holistic view with an identified mission and purpose, use of relevant information and data to identify what works and what doesn't, dialogue, discussion, participatory feedback, and coordination and leveraging of opportunities.

Mission has identified processes and methods for integrated planning and evaluation to make improved decisions and to provide an effective educational framework for its students. The College prepares for better decision-making through participation, coordination, and planning. It has metrics for what is done, improvement plans, evaluation of the improvement plans, and continued revision based on process application and effectiveness.

In the past, the College has had a multitude of goals, but lacked documented processes related to planning, integration of planning activities, and formalized strategic planning. Through participatory input, Mission has adopted the following planning documents:

- Model of Institutional Effectiveness
- College Constituencies and Committees Chart
- Participatory Governance Handbook
- Decision-Making Process Model

The College also adopted the following to improve integration:

- Integrated Resource Request Prioritization Process
- Institutional Effectiveness Committee
- Proposed Base Budget Model

It formed an Institutional Effectiveness Committee to guide the understanding of accreditation processes to support effective linkage of program review and institutional planning, to review institutional planning activities and processes for effectiveness, and make recommendations to the College on possible revisions.

Mission has undertaken the following strategic planning activities:

- Completion of two-year focused goals
- Adoption of seven strategic focus areas
- Development of a 4-year strategic plan

Board members thanked Dr. Jones and Mr. Peck for the excellent information.

UNAPPROVED MINUTES OF THE JULY 17, 2012, BOARD OF TRUSTEES MEETING

- 3.6 Oral Communications from the Public
There were none.
- 3.7 Written Communications from the Public
Executive Assistant to the Board Tracy Johnson indicated that there were none.
- 4.0 **UNFINISHED BUSINESS** - There were no items.

APPROVAL OF THE CONSENT AGENDA

A discussion was held.

Action Taken:

It was M/S/P 7/0/0 (Stampolis/Heimlich) to approve the consent agenda action items as presented.
Student Trustees: Two yes votes.

Consent Agenda items are attached to these minutes as Appendix A.

REGULAR ORDER OF AGENDA

- 5.0 **COLLEGE PROGRAMS AND SERVICES** – There were no items.
- 6.0 **HUMAN RESOURCES** – There were no items.
- 7.0 **BUSINESS AND FINANCE**
- 7.6 2014-2018 UPDATED FIVE-YEAR CONSTRUCTION PLAN
A discussion was held.
Action Taken:
It was M/S/P 7/0/0 (Stampolis/Lucas) to approve the revisions to the 2014-2018 Five-Year Construction Plan for submittal to the California Community College State Chancellor’s Office.
Student Trustees: Two yes votes
- 7.7 RESOLUTION TO CERTIFY MEASURE C
A discussion was held.
Action Taken:
It was M/S/P 7/0/0 (Stampolis/Owens, Roll Call Vote: Heimlich, Aye; Lucas, Aye; Owens, Aye; Polk, Aye; Stampolis, Aye; Walsh, Aye; Grey, Aye) to approve Resolution No. 12071701 certifying the results of the Measure C election in June.
Student Trustees: Two yes votes.
- 7.8 RESOLUTION APPROVING AMENDED AND RESTATED BYLAWS FOR THE WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT CITIZENS’ BOND OVERSIGHT COMMITTEE
A discussion was held.
Action Taken:
It was M/S/P 7/0/0 (Owens/Polk, Roll Call Vote: Heimlich, Aye; Lucas, Aye; Owens, Aye; Polk, Aye; Stampolis, Aye; Walsh, Aye; Grey, Aye:) to approve Resolution No. 12071702 to expand the duties of the Citizens’ Bond Oversight Committee.
Student Trustees: Two yes votes.
- 7.9 RESOLUTION TO ESTABLISH TAX RATE FOR THE SALE OF MEASURE C BONDS
A discussion was held.
Action Taken:
It was M/S/P 7/0/0 (Stampolis/Owens, Roll Call Vote: Heimlich, Aye; Lucas, Aye; Owens, Aye; Polk, Aye; Stampolis, Aye; Walsh, Aye; Grey, Aye:) to approve Resolution No. 12071703 to establish a tax rate for the sale of Measure C bonds.
Student Trustees: Two yes votes.

UNAPPROVED MINUTES OF THE JULY 17, 2012, BOARD OF TRUSTEES MEETING

8.0 BOARD

8.1 BOARD DISCUSSION AND POSSIBLE ACTION TO DIRECT STAFF TO OFFER PRIORITY ENROLLMENT TO DISTRICT RESIDENTS, INCLUDING WITHIN CATEGORIES OF STATE-REQUIRED PRIORITY (VETERANS, EOPS, ETC.)

A discussion was held.

Action Taken:

It was M/S/P 7/0/0 (Polk/Lucas) to call the question.

Student Trustees: Two yes votes.

Action Taken:

It was M/S/F 2/5/0 (Stampolis/Likins; Grey, Heimlich, Lucas, Polk, and Owens voted nay) to refer the item to staff for recommendation.

Student Trustees: Two abstentions.

8.2 BOARD DISCUSSION AND POSSIBLE ACTION REGARDING VIDEO RECORDING/BROADCAST OF WVMCCD BOARD MEETINGS

A discussion was held.

Action Taken:

It was M/S/P 5/2/0 (Stampolis/Likins; Polk and Lucas voted nay) to refer the item to staff for further exploration regarding the prospect of video-taping or broadcasting Board meetings.

Student Trustees: Two yes votes.

8.3 REDISTRICTING – CORRECTION TO APPROVED TRUSTEE AREAS

Action Taken:

It was M/S/P 7/0/0 (Stampolis/Owens, Roll Call Vote: Heimlich, Aye; Lucas, Aye; Owens, Aye; Polk, Aye; Stampolis, Aye; Walsh, Aye; Grey, Aye) to adopt Resolution Number 12071704 incorporating two precincts omitted from the West Valley-Mission District during the 2011 redistricting and shifting the border of Trustee Areas One and Three to maintain appropriate population balance across all seven trustee areas.

Student Trustees: Two yes votes.

The following item was moved forward at the meeting, and preceded Item 3.4.

~~8.4 APPOINTMENT OF SECRETARY TO THE BOARD OF TRUSTEES~~

9.0 INFORMATION REPORTS AND ITEMS FOR FUTURE BOARD CONSIDERATION

9.1 ACADEMIC SENATE UPDATE

Mission College Academic Senate President Dianne Dorian re welcomed Chancellor Schmitt to the District and to his first Board meeting. She thanked Daniel Peck for the excellent presentation earlier in the meeting and for the work represented by each of the slides. She said that Mr. Peck is a major factor in moving Mission College forward.

She indicated that the Senate has not been meeting in the summer and that there is no update.

West Valley College Academic Senate President Lance Shoemaker welcomed Chancellor Schmitt and Interim WVC President Brad Davis.

He thanked Pat Fenton, the new Interim West Valley College Vice President of Administrative Services, for his past service as ACE President and congratulated him on his new role. He welcomed Rod Pavao as new ACE President.

9.2 CLASSIFIED SENATE UPDATE

There were no updates.

UNAPPROVED MINUTES OF THE JULY 17, 2012, BOARD OF TRUSTEES MEETING

9.3 STUDENT SENATE UPDATE

West Valley College Student Senate President Louis Morrone said that the Senate will be taking steps to expand the Books for Food Program to increase the availability of affordable textbooks.

Mission College Student Senate President Sean Peters indicated that he is looking forward to his upcoming year as president. He reported that students are happy that Measure C passed. He noted that he and the Senate are meeting with Dr. Jones and others, working on recruitment, planning Welcome Week, and looking forward to the new school year.

9.4 MISSION COLLEGE UPDATE

College President Laurel Jones welcomed Chancellor Schmitt.

Dr. Jones distributed the July *Mission College Report to the Board*, which consisted of a report on 2010-12 Land Corporation expenditures for Mission College. She indicated that the regular *Report to the Board* would return in August.

She distributed information on Mission College's extremely successful high school outreach efforts, and thanked Peter Anning and all Student Services staff for making it happen.

She also distributed copies of the June 20 *Santa Clara Weekly*. It featured an article on the Santa Clara Pyramid of Leaders Dinner, at which Mission College was recognized as the Business Member of the Year.

Finally, she noted that ten Mission College students were chosen for a MESA Leadership Retreat, and thanked Char Perlas for her tremendous work with MESA.

9.5 WEST VALLEY COLLEGE UPDATE

Interim College President Brad Davis remarked that it is a misconception that nothing goes on at a college in the summer, and that there are many exciting things taking place. There are over three hundred middle school students attending WV College for Kids. Not only does the program breathe life and vibrancy into the campus, but it generates much-needed revenue. There are a number of wonderful construction projects taking place on campus. The Viking Grove Project started this week. He asked everyone to help spread the word that there will be a program to raise money for the project by selling bricks that will be engraved with the purchaser's name and used as part of the project. He also talked about the Alpha Project, in which students, in conjunction with the West Valley College Theater faculty, completely put on their own productions.

9.6 ASSOCIATE VICE CHANCELLOR'S REPORT

Acting Associate Vice Chancellor Sarah Carvalho Khan said that the Human Resources Department had implemented the Employee Assistance Program (EAP) last year. She recently received a report that reflects the District as being on target for the industry standard utilization, but she would like to increase that participation. Human Resources will be running some campaigns.

She also noted that the most recent claims matrix received from Keenan and Associates shows that the District has substantially decreased its claims for losses on things like rehabilitation and temporary and permanent disability.

9.7 VICE CHANCELLOR'S REPORT

Vice Chancellor of Administrative Services Ed Maduli thanked the Board for its earlier approval of the three resolutions having to do with the passage of the Measure C bonds. He indicated that the resolution to issue the first series of bonds will come to the August 7 Board meeting. He has scheduled the ratings presentation, and hopes to have cash flow on September 10

9.8 CHANCELLOR'S REPORT

Chancellor Patrick Schmitt thanked the Board for passing the resolutions relating to Measure C. He said its passage is a wonderful welcoming gift and that it will allow the District to do tremendous things for its

UNAPPROVED MINUTES OF THE JULY 17, 2012, BOARD OF TRUSTEES MEETING

students. He thanked those who voted for measure, and thanked those faculty, staff, and students who gave of their time, energy, and treasure to make it a success.

Dr. Schmitt said that in his time with the District, he has been welcomed very warmly by faculty, staff, students, and Board members. He looks forward to being of great service to the District and its students. He said that everyone contributes to the success of our students: the faculty in its work with the students, the Colleges in their support of faculty and students, and the District in its support of the Colleges. This commitment moves students toward achievement of their educational goals.

He thanked everyone for the opportunity to serve, and indicated that he will make the most of it.

9.9 STANDING COMMITTEE REPORTS

Audit and Budget Oversight Committee

There was no report.

Legislative Committee

There was no report.

9.10 TRUSTEE COMMENTS

Trustee Lucas shared an article he had read regarding Sierra Nevada College, a small college in Nevada that guarantees that students will graduate in two years. If a full-time student follows all outlined student responsibilities and completes all articulation requirements, but does not graduate in two years, SNC will pay for all tuition costs and additional coursework necessary to complete the degree.

Trustee Stampolis noted an upcoming CCCT meeting and asked anyone with input to contact him.

He noted he had recently attended a welcome reception for the new Santa Clara County Superintendent of Schools Dr. Xavier De La Torre, and was pleased to also see Chancellor Schmitt at the reception.

Mr. Stampolis noted that he has mentioned in the past a recommendation from the CCCT regarding best practices for discussions between K-12 trustees and college trustees – the idea for county boards to gather together community college trustees for mutual information sharing. In August, the Santa Clara County Board has agenzized a discussion item regarding how to proceed with that invitation process.

He noted that he requested a discussion item for the next meeting regarding Latino demographics. He also requested future agenda items regarding college boards inviting the presidents of K-12 boards to gather together to share information, and a follow-up discussion regarding textbook costs.

Student Trustee David O'Shea welcomed Chancellor Schmitt and thanked Board members for making him feel welcome as a Student Trustee.

Student Trustee Likins thanked the District for its support of its Student Trustees.

Trustee Heimlich discussed the model of the Preuss School, a coeducational college-preparatory charter school situated on the campus of the University of California, San Diego, in La Jolla, California. Students must qualify for federal free or reduced-price lunches under the National School Lunch Act and the student's primary guardians must not be college graduates, so 100 percent of the students are low-income and come from a family that does not have a background of college experience. Parents must be involved a certain number of hours in the school year. The graduation rate at the end of the program is 100 percent. The school takes those who are in difficult situations financially and educationally and makes them successful. He noted that it is interesting modeling, and that although it may not be something that applies directly to us, it would be a good thing to see if we or our K-12 districts can pull out ideas that might be useful.

ADJOURNMENT

Board President Adrienne Grey adjourned the meeting at 9.18 p.m.

UNAPPROVED MINUTES OF THE JULY 17, 2012, BOARD OF TRUSTEES MEETING

APPENDIX A TO THE MINUTES OF THE JULY 17, 2012, BOARD OF TRUSTEES MEETING

CONSENT AGENDA ACTION ITEMS FROM THE JULY 17, 2012, MEETING

(For the full text of each item, please see the agenda packet for the July 17, 2012, meeting.)

- 5.0 **COLLEGE PROGRAMS AND SERVICES – Consent Agenda – There were none.**
- 6.0 **HUMAN RESOURCES – Consent Agenda**
- 6.1 PERSONNEL TRANSACTIONS TO BE ACTED UPON BY THE BOARD OF TRUSTEES (A)
Recommendation: That the Board of Trustees approve the listed personnel transactions.
- 6.2 APPROVAL OF PROFESSIONAL GROWTH AND DEVELOPMENT SALARY INCREMENT AWARDS (A)
Recommendation: That the Board of Trustees award Professional Growth and Development (PG&D) increments to the below-listed individuals, effective August 1, 2012, on the basis of the compliance report for each of the faculty members submitted to the Committee prior to June 10, 2011.
- 7.0 **BUSINESS AND FINANCE – Consent Agenda**
- 7.1 RECORD RETENTION – DESTRUCTION OF RECORDS (A)
Recommendation: That the Board of Trustees authorize the District to destroy the listed documents.
- 7.2 AWARD CONTRACT FOR PAYROLL SERVICES (A)
Recommendation: That the Board of Trustees authorize the District to enter into a contract with the Santa Clara County Office of Education for payroll services. The contract amount is \$119,199. The length of the contract is for one year, beginning July 1, 2012, through June 30, 2013.
- 7.3 ACQUISITION OF AEROHIVE WIRELESS NETWORK EQUIPMENT, SOFTWARE, AND MAINTENANCE FOR MISSION COLLEGE AND WEST VALLEY COLLEGE (A)
Recommendation: That the Board of Trustees approve the acquisition of Aerohive wireless network equipment, software, and maintenance (5-year support) for Mission College and West Valley College in the amount of \$312,341.66.
- 7.4 ACQUISITION OF HEWLETT PACKARD (HP) NETWORK EQUIPMENT, SOFTWARE, AND MAINTENANCE FOR THE WEST VALLEY COLLEGE LANGUAGE ARTS AND SOCIAL SCIENCES BUILDINGS (A)
Recommendation: That the Board of Trustees approve the acquisition of HP network equipment, software, and maintenance (3-year support) for the Language Arts and Social Sciences buildings at West Valley College in the amount of \$123,637.27.
- 7.5 MAINTENANCE AGREEMENT FOR HEWLETT PACKARD (HP) HARDWARE AND SOFTWARE STORAGE AND SERVER EQUIPMENT (A)
Recommendation: That the Board of Trustees approve the maintenance agreement with HP in the amount of \$115,358.53.

ITEM 7.1
AUGUST 7, 2012
ACTION ITEM

PREPARED BY: ED MADULI

APPROVED BY: PATRICK SCHMITT

SUBJECT: RESOLUTION NO. 12080701 AUTHORIZING THE ISSUANCE OF WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT GENERAL OBLIGATION BONDS, ELECTION OF 2012, SERIES A

CHANCELLOR'S RECOMMENDATION:

That the Board of Trustees authorize the adoption of Resolution No. 12080701 authorizing the issuance of Series A of Measure C bonds in an aggregate principal amount not-to-exceed \$100,000,000.

Funding Source/Fiscal Impact

There is no fiscal impact associated with this item.

Reference(s)

This item is associated with the implementation of the WVC and MC Facilities Master Plans, the WVMCCD 5-Year Construction Plan, and the Measure C Project Priority List.

Background/Alternatives

This resolution authorizes the issuance of the first series of bonds pursuant to the passage of Measure C in the election of June 2012. The estimated tax rate will be \$16.25 per \$100,000 of assessed valuation (or less).

Coordination

This item has been reviewed by the Chancellor, Vice Chancellor of Administrative Services, and Bond Counsel.

Follow-up/Outcome

Upon Board approval, the administration will proceed with the issuance of the first series of bonds.

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT

RESOLUTION NO. 12080701

RESOLUTION OF THE BOARD OF TRUSTEES OF THE WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT AUTHORIZING THE ISSUANCE OF WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT (SANTA CLARA AND SANTA CRUZ COUNTIES, CALIFORNIA) ELECTION OF 2012 GENERAL OBLIGATION BONDS, SERIES 2012A

WHEREAS, a duly called election was held in the West Valley-Mission Community College District (the “District”), Santa Clara County (the “County”) and Santa Cruz County (together with the County, the “Counties”), State of California, on June 5, 2012 (the “Election”) and thereafter canvassed pursuant to law, at which the following proposition (the “Bond Measure”) was submitted to the qualified electors of the District:

“To provide affordable education at West Valley and Mission Colleges by updating academic facilities and technology to prepare students for 21st century jobs/transfer to universities, upgrading healthcare, public safety and job-training facilities, and aging buildings for earthquake safety, and acquiring, constructing, repairing and equipping sites, buildings, classrooms and facilities, shall West Valley-Mission Community College District issue \$350,000,000 of bonds, at legal rates with citizens’ oversight, no money for Sacramento, administrators’ salaries or employee pensions?”

WHEREAS, at the Election the Bond Measure received the affirmative vote of the requisite fifty-five percent or more of the voters of the District voting on the proposition, as certified by the Registrar of Voters of the Counties in the official canvassing of votes (the “Authorization”); and;

WHEREAS, at this time the Board of Trustees of the District (the “Board”) has determined that it is necessary and desirable to issue the first series of bonds pursuant to the Authorization in the aggregate principal amount not-to-exceed \$100,000,000 to be styled as “West Valley-Mission Community College District (Santa Clara and Santa Cruz Counties, California) Election of 2012 General Obligation Bonds, Series 2012A” (with an appropriate additional designation if more than one series of bonds is issued as provided herein) (collectively, the “Bonds”);

WHEREAS, pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “Act”), the Bonds are authorized to be issued by the District for the purposes set forth in the ballot submitted to voters at the Election; and

WHEREAS, this Board desires to authorize the issuance of the Bonds in one or more series of taxable or tax-exempt bonds, and further as any combination of Current Interest Bonds, Capital Appreciation Bonds, or Convertible Capital Appreciation Bonds, all as further defined herein; and

WHEREAS, this Board desires to appoint certain professionals to provide services related to the issuance of the Bonds; and

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including this proposed issue of Bonds, is within all limits prescribed by law;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT, SANTA CLARA AND SANTA CRUZ COUNTIES, CALIFORNIA AS FOLLOWS:

SECTION 1. Purpose; Authorization. To raise money for the purposes authorized by voters of the District at the Election and to pay all necessary legal, financial, engineering and contingent costs in connection with issuing the Bonds, this Board hereby authorizes the issuance of the Bonds, in one or more series of bonds, in accordance with the provisions of the Act. The Bonds shall be dated as of their date of delivery (or such other date as is reflected in the Purchase Contract, as defined below), shall bear interest at rates not-to-exceed that authorized at the Election, shall be payable upon such terms and provisions as shall be set forth in the Bonds, and shall be in an aggregate principal amount not-to-exceed \$100,000,000. The Board hereby authorizes the sale of the Bonds at a negotiated sale, which is determined to provide more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Bonds to fit the needs of particular purchasers, and a greater opportunity for the Underwriters (defined herein) to pre-market the Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds.

This Board further authorizes the issuance of the Bonds in one or more series of taxable or tax-exempt bonds, and as any combination of Current Interest Bonds, Capital Appreciation Bonds, and Convertible Capital Appreciation Bonds as set forth in the fully-executed Purchase Contract.

SECTION 2. Paying Agent. The Board does hereby appoint The Bank of New York Mellon Trust Company, N.A., the Paying Agent (defined herein) for the Bonds on behalf of the District. This Board hereby approves the payment of the reasonable fees and expenses of the Paying Agent as they shall become due and payable. The fees and expenses of the Paying Agent not paid from the proceeds of the sale of the Bonds may be paid in each year from taxes levied and collected for payment of the Bonds, insofar as permitted by law, including specifically by Section 15232 of the Education Code

SECTION 3. Approval of Purchase Contract. The form of bond purchase contract (the "Purchase Contract") by and between the District and RBC Capital Markets, LLC (the "Representative"), as representative of itself and E. J. De La Rosa & Co., Inc. (collectively, the "Underwriters"), for the purchase and sale of the Bonds on file with the Secretary or Clerk to the Board is hereby approved and the Chancellor of the District (the "Chancellor"), the Vice Chancellor, Administrative Services of the District (the "Vice Chancellor"), the Director, Fiscal Services of the District, and such other officers or employees of the District as the Chancellor or Vice Chancellor may designate for such purpose (collectively, the "Authorized Officers"), each alone, are hereby authorized to execute and deliver the Purchase Contract, but with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by his or her execution and delivery thereof; provided, however, that (i) the maximum interest rate on the Bonds shall not exceed that authorized at the Election, and (ii) the Underwriters' discount, excluding original issue discount thereon, shall not exceed 0.5% of the aggregate principal amount of Bonds. The Board estimates that the costs associated with the issuance of the Bonds, including compensation to the Underwriters, will equal

approximately 1.5% of the principal amount of the Bonds. The Authorized Officers, each alone, are further authorized to determine the principal amount of the Bonds to be specified in the Purchase Contract for sale by the District up to \$100,000,000 and to enter into and execute the Purchase Contract with the Underwriters, if the conditions set forth in this Resolution are satisfied.

SECTION 4. Certain Definitions. As used in this Resolution, the terms set forth below shall have the meanings ascribed to them (unless otherwise set forth in the Purchase Contract or the Official Statement):

(a) **“Accreted Interest”** means, with respect to Capital Appreciation Bonds and Convertible Capital Appreciation Bonds, the Accreted Value thereof as of the date of calculation, minus the Denominational Amount thereof.

(b) **“Accreted Value”** means, with respect to the Capital Appreciation Bonds and with respect to the Convertible Capital Appreciation Bonds prior to the Conversion Date thereof, as of the date of calculation, the Denominational Amount thereof, plus Accreted Interest thereon to such date of calculation, compounded semiannually on each February 1 and August 1 (commencing on February 1, 2013 (unless otherwise provided in the Purchase Contract)) at the stated Accretion Rate to maturity or conversion thereof, assuming in any such semiannual period that such Accreted Value increases in equal daily amounts on the basis of a 360-day year of twelve 30-day months.

(c) **“Accretion Rate”** means, unless otherwise provided by the Purchase Contract, that rate which, when applied to the Denominational Amount of a Capital Appreciation Bond or a Convertible Capital Appreciation Bond, and compounded semiannually on each February 1 and August 1 (commencing on February 1, 2013), produces the Maturity Value on the maturity date, in the case of a Capital Appreciation Bond, and the Conversion Value on the Conversion Date, in the case of a Convertible Capital Appreciation Bond.

(d) **“Bond Insurer”** means any insurance company which issues a municipal bond insurance policy insuring the payment of Principal, Conversion Value or Maturity Value of and interest on the Bonds.

(e) **“Bond Payment Date”** means (unless otherwise provided by the Purchase Contract or the Official Statement) (i) with respect to the Current Interest Bonds, February 1 and August 1 of each year, commencing February 1, 2013, with respect to the interest on the Current Interest Bonds, and the stated maturity dates thereof, with respect to the principal payments on the Current Interest Bonds, (ii) with respect to the Convertible Capital Appreciation Bonds, February 1 and August 1 of each year, commencing on the first such February 1 or August 1 following the respective Conversion Dates thereof, with respect to the interest on the Convertible Capital Appreciation Bonds and the stated maturity dates thereof, with respect to the payment of Conversion Value of the Convertible Capital Appreciation Bonds, and (iii) with respect to the Capital Appreciation Bonds, the stated maturity dates thereof, as applicable.

(f) **“Capital Appreciation Bonds”** means the Bonds the interest component of which is compounded semiannually to maturity as shown in the table of Accreted Values for such Bonds in the Official Statement.

(g) **“Code”** means the Internal Revenue Code of 1986, as the same may be amended from time to time. Reference to a particular section of the Code shall be deemed to be a reference to any successor to any such section.

(h) **“Continuing Disclosure Certificate”** means that certain Continuing Disclosure Certificate executed by the District and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

(i) **“Conversion Date”** means, with respect to Convertible Capital Appreciation Bonds, the date from which such Bonds bear current interest.

(j) **“Conversion Value”** means, with respect to Convertible Capital Appreciation Bonds, the Accreted Value as of the Conversion Date.

(k) **“Convertible Capital Appreciation Bonds”** means the Bonds the interest component of which is compounded semiannually to the respective Conversion Dates thereof as shown in the table of Accreted Values for such Bonds in the Official Statement, and which bear current interest from such respective Conversion Dates on the Conversion Value thereof, payable semiannually on each Bond Payment Date, all as set forth in the Purchase Contract.

(l) **“Current Interest Bonds”** means the Bonds the interest on which is payable semiannually on each Bond Payment Date specified for each such Bond as designated and maturing in the years and in the amounts set forth in the Purchase Contract.

(m) **“Director of Finance”** means the Director of Finance of Santa Clara County.

(n) **“Denominational Amount”** means, with respect to the Capital Appreciation Bonds and Convertible Capital Appreciation Bonds, the initial principal amounts thereof.

(o) **“Depository”** means the entity acting as security depository for the Bonds pursuant to Section 5(c) hereof.

(p) **“DTC”** means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, in its capacity as the initial Depository for the Bonds.

(q) **“Fair Market Value”** means the price at which a willing buyer would purchase the 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 Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the 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 Code, (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, or (iv) any commingled investment fund in which the District and related parties do not

own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

(r) **“Information Services”** means Financial Information, Inc.’s Financial Daily Called Bond Service; Mergent, Inc., Called Bond Department; or Standard & Poor’s J. J. Kenny Information Services Called Bond Service.

(s) **“Maturity Value”** means the Accreted Value of any Capital Appreciation Bond on its maturity date.

(t) **“Nominee”** means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 5(c) hereof.

(u) **“Non-AMT Bonds”** means obligations the interest on which is excludable from gross income for federal income tax purposes under Section 103(a) of the Code and not treated as an item of tax preference under Section 57(a)(5)(C) of the Code, that are legal investments pursuant to Section 53601 of the Government Code of the State of California.

(v) **“Official Statement”** means the Official Statement for the Bonds, as described in Section 16 hereof.

(w) **“Outstanding”** means, when used with reference to the Bonds, as of any date, Bonds theretofore issued or thereupon being issued under this resolution except:

(i) Bonds canceled at or prior to such date;

(ii) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Section 7 hereof; or

(iii) Bonds for the payment or redemption of which funds or Federal Securities in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Bonds), in accordance with Section 19 of this Resolution.

(x) **“Owner”** means the registered owner of a Bond as set forth on the registration books maintained by the Paying Agent pursuant to Section 7 hereof.

(y) **“Participants”** means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as securities depository.

(z) **“Paying Agent”** means The Bank of New York Mellon Trust Company, N.A., or any successor thereto, acting in the capacity of paying agent, bond registrar, authenticating agent and transfer agent.

(aa) **“Permitted Investments”** means (i) any lawful investments permitted by Section 16429.1 and Section 53601 of the Government Code, including Non-AMT Bonds and Qualified Non-AMT Mutual Funds, (ii) shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code which invests exclusively in investments permitted by Section 53635 of the Government Code, but without regard to any limitations in such Section concerning the percentage of moneys available for

investment being invested in a particular type of security, (iii) a guaranteed investment contract with a provider rated in at least the second highest category by each rating agency then rating the Bonds, (iv) the Local Agency Investments Fund of the California State Treasurer, (v) the Santa Clara County investment pool maintained by the Director of Finance, and (vi) State and Local Government Series Securities.

(bb) **“Principal”** or **“Principal Amount”** means, with respect to any Current Interest Bond, the principal amount thereof and, with respect to any Capital Appreciation Bond or Convertible Capital Appreciation Bonds, the Denominational Amount thereof.

(cc) **“Qualified Non-AMT Mutual Fund”** means stock in a regulated investment company to the extent that at least 95% of the income of such regulated investment company is interest that is excludable from gross income under Section 103 of the Code and not an item of tax preference under Section 57(a)(5)(C) of the Code.

(dd) **“Qualified Permitted Investments”** means (i) Non-AMT Bonds, (ii) Qualified Non-AMT Mutual Funds, (iii) other Permitted Investments authorized by an opinion of Bond Counsel to the effect that such investment would not adversely affect the tax-exempt status of the Bonds, and (iv) Permitted Investments of proceeds of the Bonds, and interest earned on such proceeds, held not more than thirty days pending reinvestment or Bond redemption. A guaranteed investment contract or similar investment agreement (e.g. a forward supply contract, GIC, repo, etc.) does not constitute a Qualified Permitted Investment.

(ee) **“Rating Agencies”** means Standard & Poor’s Rating Services, Fitch Ratings Service and Moody’s Investors Service.

(ff) **“Record Date”** means the close of business on the fifteenth day of the month preceding each Bond Payment Date.

(gg) **“Securities Depository”** means The Depository Trust Company, 55 Water Street, New York, New York 10041, Tel: (212) 855-1000 or Fax: (212) 855-7320.

(hh) **“Taxable Bonds”** means any Bonds not issued as Tax-Exempt Bonds.

(ii) **“Tax-Exempt Bonds”** means any Bonds the interest in which is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax, as further described in an opinion of Bond Counsel supplied to the original purchasers of such Bonds.

(jj) **“Term Bonds”** means those Bonds for which mandatory redemption dates have been established in the Purchase Contract.

(kk) **“Transfer Amount”** means, (i) with respect to any Outstanding Current Interest Bond, the Principal Amount, (ii) with respect to any Outstanding Capital Appreciation Bond, the Maturity Value, and (iii) with respect to any Outstanding Convertible Capital Appreciation Bond, the Conversion Value.

SECTION 5. Terms of the Bonds.

(a) Denomination, Interest, Dated Dates. The Bonds shall be issued as Bonds registered as to both principal and interest, in the following denominations: (i) with respect to the Current Interest Bonds, \$5,000 Principal Amount or any integral multiple thereof, (ii) with respect to the Capital Appreciation Bonds, \$5,000 Maturity Value, or any integral multiple thereof (except for one odd denomination, if necessary), and (iii) with respect to Convertible Capital Appreciation Bonds, \$5,000 Conversion Value or any integral multiple thereof. The Bonds shall bear or accrete interest at a rate or rates such that the interest rate shall not exceed that permitted by law.

Each Current Interest Bond shall be dated the date of delivery thereof or such other date as shall appear in the Purchase Contract or Official Statement (the “Dated Date”), and shall bear interest from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record Date, in which event it shall bear interest from its Dated Date. Interest shall be payable on the respective Bond Payment Dates and shall be calculated on the basis of a 360-day year of twelve 30-day months.

The Capital Appreciation Bonds shall mature in the years, shall be issued in aggregate Principal Amounts, shall have Accretion Rates and shall have denominations per each \$5,000 in Maturity Value as shown in the Accreted Value Table attached to the Official Statement or Purchase Contract. The Convertible Capital Appreciation Bonds shall mature in the years, shall be issued in the aggregate Principal Amounts, shall have Accretion Rates and shall have denominations per each \$5,000 in Conversion Value as shown in such Accreted Value Table. Notwithstanding the preceding provisions of this paragraph, in the event that the amount shown in the Accreted Value Table and the Accreted Value caused to be calculated by the District and approved by the Bond Insurer, if any, by application of the definition of Accreted Value set forth in Section 4 differ, the latter amount shall be the Accreted Value of such Capital Appreciation Bond or Convertible Capital Appreciation Bond, as applicable.

Before its Conversion Date, each Convertible Capital Appreciation Bond shall not bear current interest but will accrete in value through the Conversion Date thereof, from its Denominational Amount on the date of delivery thereof, to its Conversion Value on the applicable Conversion Date. From and after its Conversion Date, each Convertible Capital Appreciation Bond will bear current interest, and such interest will accrue based upon the Conversion Value of such Bonds at the Conversion Date. No payment will be made to the Owners of Convertible Capital Appreciation Bonds on the respective Conversion Dates thereof.

(b) Redemption.

(i) Optional Redemption. The Bonds shall be subject to optional redemption prior to their stated maturity dates as provided in the Purchase Contract.

(ii) Mandatory Redemption. Any Bonds sold as Term Bonds shall be subject to mandatory sinking fund redemption prior to maturity as provided in the Purchase Contract or the Official Statement.

In the event that a portion of any Term Bond is optionally redeemed pursuant to Section 5(b)(i) hereof, the remaining mandatory sinking fund payments shall be reduced proportionately, in integral multiples of \$5,000 (of Principal, Maturity Value, or Conversion Value,

as applicable), in respect of the portion of such Term Bond optionally redeemed, or as otherwise directed by the District.

(iii) Selection of Bonds for Redemption. Whenever provision is made in this Resolution for the redemption of Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Bonds for redemption as so directed and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent shall select Bonds for redemption as directed by the District, and if not so directed, by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that (A) the portion of any Current Interest Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof, (B) the portion of any Capital Appreciation Bond to be redeemed in part shall be in integral multiples of the Accreted Value per \$5,000 Maturity Value thereof and (C) the portion of any Convertible Capital Appreciation Bond to be redeemed in part shall be in integral multiples of the Accreted Value per \$5,000 Conversion Value thereof, and further provided that the Purchase Contract may provide that, within a maturity, Bonds shall be selected for redemption on a “Pro Rata Pass-Through Distribution of Principal” basis in accordance with DTC procedures, provided further that, such redemption is made in accordance with the operational arrangements of DTC then in effect.

(iv) Notice of Redemption. When redemption is authorized or required pursuant to Section 5(b) hereof, the Paying Agent, upon written instruction from the District, shall give notice (a “Redemption Notice”) of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the Principal Amount or Accreted Value of such Bond to be redeemed, and (g) the original issue date, interest rate or Accretion Rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed at the redemption price thereof, together with the interest accrued or accreted to the redemption date, and that from and after such date, interest with respect thereto shall cease to accrue or accrete.

The Paying Agent shall take the following actions with respect to such Redemption Notice:

(a) At least 20 but not more than 60 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Bonds designated for redemption by registered or certified mail, postage prepaid, at their addresses appearing on the Bond Register (defined herein).

(b) At least 20 but not more than 60 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to each of the Securities Depositories.

(c) At least 20 but not more than 60 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, or (ii) overnight delivery service, to one of the Information Services.

Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear or include the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

With respect to any notice of redemption of Bonds pursuant to Section 5(b)(i) hereof, unless upon the giving of such notice such Bonds shall be deemed to have been defeased pursuant to Section 18 hereof, such notice shall state that such redemption shall be conditional upon the receipt by an independent escrow agent selected by the District on or prior to the date fixed for such redemption of the moneys necessary and sufficient to pay the principal of, and premium, if any, and interest on, such Bonds to be redeemed, and that if such moneys shall not have been so received said notice shall be of no force and effect, the Bonds shall not be subject to redemption on such date and the Bonds shall not be required to be redeemed on such date. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made and the Paying Agent shall within a reasonable time thereafter give notice, to the persons to whom and in the manner in which the notice of redemption was given, that such moneys were not so received.

(v) Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in Transfer Amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(vi) Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside as provided in Section 18 hereof, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided in Section 5(b) hereof, together with interest accrued to such redemption date, shall be held by an independent escrow agent selected by the District so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Bonds to be redeemed shall cease to accrue or accrete and become payable. All money held by or on behalf of the Paying Agent for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 5(b) shall be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be cancelled by the Paying Agent.

(vii) Bonds No Longer Outstanding. When any Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held irrevocably in trust for the payment of the redemption price of such Bonds or

portions thereof, and, in the case of Current Interest Bonds and Convertible Capital Appreciation Bonds after the Conversion Date, accrued interest with respect thereto to the date fixed for redemption, all as provided in this Resolution, then such Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

(c) Book-Entry System.

(i) Election of Book-Entry System. The Bonds shall initially be delivered in the form of a separate single fully-registered bond (which may be typewritten) for each maturity date of such Bonds in an authorized denomination (except for any odd denomination Bond). The ownership of each such Bond shall be registered in the Bond Register (as defined below) in the name of the Nominee, as nominee of the Depository and ownership of the Bonds, or any portion thereof may not thereafter be transferred except as provided in Section 5(c)(i)(4).

With respect to book-entry Bonds, the District and the Paying Agent shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such book-entry Bonds. Without limiting 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 Participant with respect to any ownership interest in book-entry Bonds, (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Bond Register, of any notice with respect to book-entry Bonds, including any notice of redemption, (iii) the selection by the Depository and its Participants of the beneficial interests in book-entry Bonds to be prepaid in the event the District redeems the Bonds in part, or (iv) the payment by the Depository or any Participant or any other person, of any amount with respect to Accreted Value, Principal, premium, if any, or interest on the book-entry Bonds. The District and the Paying Agent may treat and consider the person in whose name each book-entry Bond is registered in the Bond Register as the absolute Owner of such book-entry Bond for the purpose of payment of Accreted Value or Principal of and premium and interest on and to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all Accreted Value or Principal of and premium, if any, and interest on the Bonds only to or upon the order of the respective Owner, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of Accreted Value or Principal of, and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a certificate evidencing the obligation to make payments of Accreted Value or Principal of, and premium, if any, and interest on the Bonds. Upon delivery by the Depository to the Owner and the Paying Agent, of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to the Record Date, the word Nominee in this Resolution shall refer to such nominee of the Depository.

1. Delivery of Letter of Representations. In order to qualify the book-entry Bonds for the Depository's book-entry system, the District and the Paying Agent shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the District or the Paying Agent any obligation whatsoever with respect to persons having interests in such book-entry Bonds other than the Owners, as shown on the Bond Register. By executing a Letter of Representations, the Paying Agent shall agree to take all action necessary at all times so that the District will be in compliance with all representations of the District in such

Letter of Representations. In addition to the execution and delivery of a Letter of Representations, the District and the Paying Agent shall take such other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify book-entry Bonds for the Depository's book-entry program.

2. Selection of Depository. In the event (i) the Depository determines not to continue to act as securities depository for book-entry Bonds, or (ii) the District determines that continuation of the book-entry system is not in the best interest of the beneficial owners of the Bonds or the District, then the District will discontinue the book-entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered bond for each maturity date of such book-entry Bond, registered in the name of such successor or substitute qualified securities depository or its Nominee as provided in subsection (4) hereof. If the District fails to identify another qualified securities depository to replace the Depository, then the Bonds shall no longer be restricted to being registered in such Bond Register in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging such Bonds shall designate, in accordance with the provisions of this Section 5(c).

3. Payments to Depository. Notwithstanding any other provision of this Resolution to the contrary, so long as all outstanding Bonds are held in book-entry and registered in the name of the Nominee, all payments by the District or the Bond Register with respect to Accreted Value or Principal of and premium, if any, or interest on the Bonds and all notices with respect to such Bonds shall be made and given, respectively to the Nominees, as provided in the Letter of Representations or as otherwise instructed by the Depository and agreed to by the Paying Agent notwithstanding any inconsistent provisions herein.

4. Transfer of Bonds to Substitute Depository.

(A) The Bonds shall be initially issued as described in the Official Statement described herein. Registered ownership of such Bonds, or any portions thereof, may not thereafter be transferred except:

(1) to any successor of DTC or its nominee, or of any substitute depository designated pursuant to Section 5(c)(i)(4)(A)(2) ("Substitute Depository"); provided that any successor of DTC or Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(2) to any Substitute Depository, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC (or its successor) is no longer able to carry out its functions as depository; provided that any such Substitute Depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(3) to any person as provided below, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC or its successor (or Substitute Depository or its successor) is no longer able to carry out its functions as depository.

(B) In the case of any transfer pursuant to Section 5(c)(i)(4)(A)(1) or (2), upon receipt of all outstanding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent designating the Substitute Depository, a single new Bond, which the District shall prepare or cause to be prepared, shall be executed and delivered for each maturity of Bonds then outstanding, registered in the name of such successor or such Substitute Depository or their Nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to Section 5(c)(i)(4)(A)(3), upon receipt of all outstanding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, new Bonds, which the District shall prepare or cause to be prepared, shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such written request of the District, provided that the Paying Agent shall not be required to deliver such new Bonds within a period of less than sixty (60) days from the date of receipt of such written request from the District.

(C) In the case of a partial redemption or an advance refunding of any Bonds evidencing a portion of the Conversion Value, Maturity Value or Principal maturing in a particular year, DTC or its successor (or any Substitute Depository or its successor) shall make an appropriate notation on such Bonds indicating the date and amounts of such reduction in Conversion Value, Maturity Value or Principal, in form acceptable to the Paying Agent, all in accordance with the Letter of Representations. The Paying Agent shall not be liable for such Depository's failure to make such notations or errors in making such notations.

(D) The District and the Paying Agent shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof for all purposes of this Resolution and any applicable laws, notwithstanding any notice to the contrary received by the Paying Agent or the District; and the District and the Paying Agent shall not have responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Bonds. Neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to any such beneficial owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of any Bonds, and the Paying Agent may rely conclusively on its records as to the identity of the Owners of the Bonds.

SECTION 6. Execution of Bonds. The Bonds shall be signed by the President of the Board of Trustees by manual or facsimile signature and countersigned by the manual or facsimile signature of either the Secretary to the Board, or the designees thereof, all in their official capacities. No Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Bond is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

SECTION 7. Paying Agent; Transfer and Exchange. So long as any of the Bonds remain outstanding, the District will cause the Paying Agent to maintain and keep at its designated office all books and records necessary for the registration, exchange and transfer of the Bonds as provided in this Section (the "Bond Register"). Subject to the provisions of Section 8 below, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute Owner of that Bond for all purposes of this Resolution. Payment of or on account of the Principal or Accreted Value of and premium, if any, and interest on any Bond shall be made only to or upon the

order of that person; neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Bonds, including interest, to the extent of the amount or amounts so paid.

Any Bond may be exchanged for Bonds of like tenor, maturity and Transfer Amount upon presentation and surrender at the designated office of the Paying Agent, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Bond may be transferred on the Bond Register only upon presentation and surrender of the Bond at the designated office of the Paying Agent together with an assignment executed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new Bond or Bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the Transfer Amount of the Bond surrendered and bearing or accruing interest at the same rate and maturing on the same date. Capital Appreciation Bonds, Convertible Capital Appreciation Bonds and Current Interest Bonds may not be exchanged for one another.

If any 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 series, tenor and Transfer Amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Paying Agent of the Bond so mutilated. If any Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Paying Agent and, if such evidence be satisfactory to the Paying Agent and indemnity for the Paying Agent and the District satisfactory to the Paying Agent shall be given by the Owner, the District, at the expense of the Bond Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like series and tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Bond the Paying Agent may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Paying Agent and the District). The Paying Agent may require payment of a reasonable fee for each new Bond issued under this paragraph and of the expenses which may be incurred by the District and the Paying Agent.

If manual signatures on behalf of the District are required in connection with an exchange or transfer, the Paying Agent shall undertake the exchange or transfer of Bonds only after the new Bonds are signed by the authorized officers of the District. In all cases of exchanged or transferred Bonds, the District shall sign and the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the Bonds surrendered upon that exchange or transfer.

Any Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be cancelled by the Paying Agent. The District may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Bonds that the District may have acquired in any manner whatsoever, and those Bonds shall be promptly cancelled by the Paying Agent. Written reports of the surrender and cancellation of Bonds shall be made to the District by the Paying Agent upon a request of the District. The cancelled Bonds shall be retained for three years, then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 15th business day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or any day on which the applicable notice of redemption is given or (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

SECTION 8. Payment. Payment of interest on any Current Interest Bond or Convertible Capital Appreciation Bond after the Conversion Date, on any Bond Payment Date, shall be made to the person appearing on the registration books of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by check mailed to such Owner on the Bond Payment Date at his address as it appears on such registration books or at such other address as he may have filed with the Paying Agent for that purpose on or before the Record Date. The Owner in an aggregate Principal Amount, Conversion Value or Maturity Value of \$1,000,000 or more may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The principal, and redemption price, if any, payable on the Current Interest Bonds, the Accreted Value and redemption price, if any, on the Capital Appreciation Bonds or Convertible Capital Appreciation Bonds shall be payable upon maturity or redemption upon surrender at the designated office of the Paying Agent. The interest, Accreted Value, Principal and premiums, if any, on the Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the Bonds when duly presented for payment at maturity, and to cancel all Bonds upon payment thereof. The Bonds are general obligations of the District payable solely from the proceeds of *ad valorem* taxes levied on property subject to taxation by the District.

SECTION 9. Form of Bonds. The Bonds shall be in substantially forms attached hereto as Appendix A, allowing those officials executing the Bonds to make the insertions and deletions necessary to conform the Bonds to this Resolution, the Purchase Contract and the Official Statement and to correct any defect or inconsistent provision therein or to cure any ambiguity or omission therein.

SECTION 10. Delivery of Bonds. The proper officials of the District shall cause the Bonds to be prepared and, following their sale, shall have the Bonds signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Bonds, to the original purchaser upon payment of the purchase price therefor.

SECTION 11. Deposit of Proceeds of Bonds. (a) The purchase price received from the Underwriters pursuant to the Purchase Contract, to the extent of the Denominational Amount and the Principal Amount thereof, shall be paid to the County to the credit of the fund hereby created and established and to be known as the “West Valley-Mission Community College District Election of 2012 General Obligation Bonds, Series 2012A Building Fund” (the “Building Fund”) of the District, shall be kept separate and distinct from all other District and County funds, and those proceeds shall be used solely for the purposes for which the Bonds are being issued. At the discretion of the District, the Building Fund may be split into more than one fund or contain subaccounts if the Bonds are issued in more than one series. The purchase price received from the Underwriters pursuant to the Purchase Contract, to the extent of any accrued interest and any original issue premium, shall be kept separate and apart in the fund hereby created and established and to be designated as the “West Valley-Mission Community College District Election of 2012 General Obligation Bonds, Series 2012A Debt Service Fund” (the “Debt Service Fund”) for the Bonds and used only for payment of Accreted Value or Principal of and interest on the Bonds. At the discretion of the District, the Debt

Service Fund may be split into more than one fund or contain subaccounts if the Bonds are issued in more than one series. Interest earnings on moneys held in the Building Fund shall be retained in the Building Fund. Interest earnings on moneys held in the Debt Service Fund shall be retained in the Debt Service Fund. Any excess proceeds of the Bonds not needed for the authorized purposes set forth herein for which the Bonds are being issued shall be transferred to the Debt Service Fund and applied to the payment of Accreted Value or Principal of and interest on the Bonds. If, after payment in full of the Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the General Fund of the District.

Costs associated with the issuance of the Bonds are hereby authorized to be paid by the Underwriters pursuant to the Purchase Contract from premium withheld thereby, or may be paid by the District from purchase price of the Bonds received from the Underwriters. Notwithstanding any other provision of this Resolution, to the extent the District elects to pay costs associated with the issuance of the Bonds from such purchase price, the Authorized Officers, each alone, may direct the deposit of a portion of the proceeds thereof not exceeding two percent of the aggregate Principal and Denominational Amount of the Bonds into a costs of issuance account to be held by a fiscal agent of the District appointed for such purpose by such Authorized Officer.

(b) Moneys in the Debt Service Fund and the Building Fund shall be invested at the written direction of the District, and after consultation with the County, in Permitted Investments. If at the time of issuance the District determines to issue some or all of the Bonds as Tax-Exempt Bonds without regard to the Internal Revenue Code “temporary period” restrictions, all investment of the proceeds of such Bonds shall be subject to paragraph (1) below; and the District, in consultation with the County, may provide for an agent to assist the District in investing funds pursuant to paragraph (1) below. If the District fails to direct such agent, the agent shall invest or cause the funds in the Building Fund to be invested in Qualified Permitted Investments, subject to the provisions of paragraph (1) below, until such time as the District provides written direction to invest such funds otherwise. Neither the County nor its officers and agents, as the case may be, shall have any responsibility or obligation to determine the tax consequences of any investment. The interest earned on the moneys deposited to the Building Fund shall be applied as set forth in subsection (c) below:

(1) Covenant Regarding Investment of Proceeds.

(A) Permitted Investments. Beginning on the delivery date, and at all times until expenditure for authorized purposes, not less than 95% of the proceeds of the Bonds deposited in the Building Fund, including investment earnings thereon, will be invested in Qualified Permitted Investments which are rated in at least the second highest rating category by one of the two Rating Agencies. Notwithstanding the preceding provisions of this Section, for purposes of this paragraph, amounts derived from the disposition or redemption of Qualified Permitted Investments and held pending reinvestment or redemption for a period of not more than 30 days may be invested in Permitted Investments. The District hereby authorizes investments made pursuant to this Resolution with maturities exceeding five years.

(B) Recordkeeping and Monitoring Relating to Building Fund.

i. Information Regarding Permitted Investments. The District hereby covenants that it will record or cause to be recorded with respect to each Permitted Investment in the Building Fund the following information: purchase date; purchase price; information establishing the Fair Market Value of such Permitted

Investment; face amount; coupon rate; periodicity of interest payments; disposition price; disposition date; and any accrued interest received upon disposition.

ii. Information in Qualified Non-AMT Mutual Funds. The District hereby covenants that, with respect to each investment of proceeds of the Bonds in a Qualified Non-AMT Mutual Fund pursuant to paragraph (1)(A) above, in addition to recording, or causing to be recorded, the information set forth in paragraph (1)(B)(i) above, it will retain a copy of each IRS information reporting form and account statement provided by such Qualified Non-AMT Mutual Fund.

iii. Monthly Investment Fund Statements. The District covenants that it will obtain, at the beginning of each month following the delivery date, a statement of the investments in the Building Fund detailing the nature, amount and value of each investment as of such statement date.

iv. Retention of Records. The District hereby covenants that it will retain the records referred to in paragraph (1)(B)(i) and each IRS information reporting form referred to in paragraph (1)(B)(ii) with its books and records with respect to the Bonds until three years following the last date that any obligation comprising the Bonds is retired.

(c) Interest Earned on Permitted Investments. The interest earned on the moneys deposited in the Building Fund shall be deposited in the Building Fund and used for the purposes of that fund.

Except as required below to satisfy the requirements of Section 148(f) of the Internal Revenue Code of 1986, as amended (the "Code"), interest earned on the investment of monies held in the Debt Service Fund shall be retained in the Debt Service Fund and used by the County to pay the Accreted Value or Principal of and interest on the Bonds when due.

SECTION 12. Rebate Fund. The following provisions shall apply to any Bonds issued as Tax-Exempt Bonds.

(a) The District shall create and establish a special fund designated the "West Valley-Mission Community College District Election of 2012 General Obligation Bonds, Series 2012A Rebate Fund" (the "Rebate Fund"). All amounts at any time on deposit in the Rebate Fund shall be held in trust, to the extent required to satisfy the requirement to make rebate payments to the United States (the "Rebate Requirement") pursuant to Section 148 of the Code, and the Treasury Regulations promulgated thereunder (the "Treasury Regulations"). Such amounts shall be free and clear of any lien hereunder and shall be governed by this Section and by the Tax Certificate to be executed by the District.

(b) Within forty-five (45) days of the end of each fifth Bond Year (as such term is defined in the Tax Certificate), (1) the District shall calculate or cause to be calculated with respect to the Bonds the amount that would be considered the “rebate amount” within the meaning of Section 1.148-3 of the Treasury Regulations, using as the “computation date” for this purpose the end of such Bond Year, and (2) the District shall deposit to the Rebate Fund from amounts on deposit in the other funds established hereunder or from other District funds, if and to the extent required, amounts sufficient to cause the balance in the Rebate Fund to be equal to the “rebate amount” so calculated. The District shall not be required to deposit any amount to the Rebate Fund in accordance with the preceding sentence, if the amount on deposit in the Rebate Fund prior to the deposit required to be made under this subsection (b) equals or exceeds the “rebate amount” calculated in accordance with the preceding sentence. Such excess may be withdrawn from the Rebate Fund to the extent permitted under subsection (g) of this Section. The District shall not be required to calculate the “rebate amount” and shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b), with respect to all or a portion of the proceeds of the Bonds (including amounts treated as proceeds of the Bonds) (1) to the extent such proceeds satisfy the expenditure requirements of Section 148(f)(4)(B) or Section 148(f)(4)(C) of the Code or Section 1.148-7(d) of the Treasury Regulations, whichever is applicable, and otherwise qualify for the exception to the Rebate Requirement pursuant to whichever of said sections is applicable, (2) to the extent such proceeds are subject to an election by the District under Section 148(f)(4)(C)(vii) of the Code to pay a one and one-half percent (1½%) penalty in lieu of arbitrage rebate in the event any of the percentage expenditure requirements of Section 148(f)(4)(C) are not satisfied, or (3) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a “bona fide debt service fund.” In such event, and with respect to such amounts, the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b).

(c) Any funds remaining in the Rebate Fund after redemption of all the Bonds and any amounts described in paragraph (2) of subsection (d) of this Section, or provision made therefor satisfactory to the District, including accrued interest, shall be remitted to the District.

(d) Subject to the exceptions contained in subsection (b) of this Section to the requirement to calculate the “rebate amount” and make deposits to the Rebate Fund, the District shall pay to the United States, from amounts on deposit in the Rebate Fund,

(1) not later than sixty (60) days after the end of (i) the fifth (5th) Bond Year, and (ii) each fifth (5th) Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the “rebate amount” calculated as of the end of such Bond Year in accordance with Section 1.148-3 of the Treasury Regulations; and

(2) not later than sixty (60) days after the payment of all Bonds, an amount equal to one hundred percent (100%) of the “rebate amount” calculated as of the date of such payment (and any income attributable to the “rebate amount” determined to be due and payable) in accordance with Section 1.148-3 of the Treasury Regulations.

(e) In the event that, prior to the time any payment is required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the District shall calculate (or have calculated) the amount of such deficiency and deposit an amount equal to such deficiency into the Rebate Fund prior to the time such payment is due.

(f) Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service Center on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, such form to be prepared or caused to be prepared by the District.

(g) In the event that immediately following the calculation required by subsection (b) of this Section, but prior to any deposit made under said subsection, the amount on deposit in the Rebate Fund exceeds the “rebate amount” calculated in accordance with said subsection, the District may withdraw the excess from the Rebate Fund and credit such excess to the Debt Service Fund.

(h) The District shall retain records of all determinations made hereunder until three years after the complete retirement of the Bonds.

(i) Notwithstanding anything in this Resolution to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the Bonds.

SECTION 13. Security for the Bonds. There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* tax annually during the period the Bonds are outstanding in an amount sufficient to pay the principal and Accreted Value of and interest on the Bonds when due, which moneys when collected will be placed in the Debt Service Fund of the District, which fund is hereby designated for the payment of the principal and Accreted Value of and interest on the Bonds when and as the same fall due, and for no other purpose.

The moneys in the Debt Service Fund, to the extent necessary to pay the principal and Accreted Value of and interest on the Bonds as the same become due and payable, shall be transferred by the Director of Finance to the Paying Agent, and by the Paying Agent to DTC to pay the principal and Accreted Value of and interest on the Bonds. DTC will thereupon make payments of principal and Accreted Value and interest on the Bonds to the DTC Participants who will thereupon make payments of principal and Accreted Value and interest to the beneficial owners of the Bonds. Any moneys remaining in the Debt Service Fund after the 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, pursuant to the Education Code Section 15234.

SECTION 14. Arbitrage Covenant. The District covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary, so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code and the applicable regulations prescribed under that Section or any predecessor section.

SECTION 15. Legislative Determinations. The Board determines that all acts and conditions necessary to be performed by the Board 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, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds

SECTION 16. Official Statement. The Preliminary Official Statement relating to the Bonds, substantially in the form on file with the Secretary or Clerk to the Board is hereby approved and the Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deliver such Preliminary Official Statement to the Underwriters to be used in connection with the offering and sale of the Bonds. The Authorized Officers, each alone, are

hereby authorized and directed, for and in the name and on behalf of the District, to deem the Preliminary Official Statement “final” pursuant to 15c2-12 of the Securities Exchange Act of 1934, prior to its distribution and to execute and deliver to the Underwriters a final Official Statement, substantially in the form of the Preliminary Official Statement, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve. The Underwriters are hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Bonds and are directed to deliver copies of any final Official Statement to the purchasers of the Bonds. Execution of the Official Statement shall conclusively evidence the District’s approval thereof.

SECTION 17. Insurance. In the event the District purchases bond insurance for all or a portion of the Bonds, and to the extent that the Bond Insurer makes payment of the principal, interest or Accreted Interest on the Bonds, it shall become the Owner of such Bonds with the right to payment of principal, interest or Accreted Interest on the Bonds, and shall be fully subrogated to all of the Owners’ rights, including the Owners’ rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that were past due interest components, the Paying Agent shall note the Bond Insurer’s rights as subrogee on the registration books for the Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer for the payment of such interest to the Owners of the Bonds, and (ii) in the case of subrogation as to claims for past due Principal or Accreted Value, the Paying Agent shall note the Bond Insurer as subrogee on the registration books for the Bonds maintained by the Paying Agent upon surrender of the Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond Insurer.

SECTION 18. Defeasance. All or any portion of the outstanding maturities of the Bonds may be defeased prior to maturity in the following ways:

(i) **Cash:** by irrevocably depositing with the Paying Agent or with an independent escrow agent selected by the District an amount of cash which together with amounts transferred from the Debt Service Fund, if any, is sufficient to pay all Bonds outstanding and designated for defeasance, including all Principal, Accreted Value, interest and premium, if any; or

(ii) **Government Obligations:** by irrevocably depositing with the Paying Agent or with an independent escrow agent selected by the District noncallable Government Obligations together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and moneys transferred from the Debt Service Fund, if any, together with the interest to accrue thereon, be fully sufficient to pay and discharge all Bonds outstanding and designated for defeasance (including all Principal or Accreted Value and interest represented thereby and redemption premiums, if any) at or before their maturity date;

then, notwithstanding that any of such Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such designated outstanding Bonds shall cease and terminate, except only the obligation of the Paying Agent or an independent escrow agent selected by the District to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) of this Section, to the Owners of such designated Bonds not so surrendered and paid all sums due with respect thereto.

For purposes of this Section, Government Obligations shall mean:

Direct and general obligations of the United States of America, or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, (which may consist of obligations of the Resolution Funding Corporation that constitute interest strips), or “prerefunded” municipal obligations rated in the highest rating category by Moody’s Investors Service or Standard & Poor’s. In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account, segregated from the custodian’s general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed “AAA” by Standard & Poor’s or “Aaa” by Moody’s Investors Service.

SECTION 19. Request to Counties to Levy Tax. The Boards of Supervisors of the Counties and officers of the Counties are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds. The District hereby requests such Boards of Supervisors to annually levy a tax upon all taxable property in the District sufficient to redeem the Bonds, and to pay the principal, redemption premium, if any, and interest thereon as and when the same become due.

SECTION 20. Other Actions. (a) Officers of the Board and District officials and staff are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The Board hereby appoints Stradling Yocca Carlson & Rauth, a Professional Corporation, as bond counsel and disclosure counsel to the District with respect to the issuance of the Bonds. The Board hereby appoints RBC Capital Markets, LLC and E. J. De La Rosa & Co., Inc., as Underwriters with respect to the issuance of the Bonds. The Board hereby appoints Keygent LLC as Financial Advisor to the District with respect to the issuance of the Bonds.

(c) Notwithstanding any other provision herein, the provisions of this Resolution may be amended by the Purchase Contract and the Official Statement.

SECTION 21. Resolution to Director of Finance. The Secretary to this Board is hereby directed to provide a certified copy of this Resolution to Director of Finance of the County and the Treasurer-Tax Collector of Santa Cruz County immediately following its adoption.

SECTION 22. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate executed by the District and dated the date of issuance and delivery of the Bonds, as originally

executed and as it may be amended from time to time in accordance with the terms thereof. The form of Continuing Disclosure, attached as Appendix C to the Preliminary Official Statement on file with Board as of the date hereof, is approved. The Authorized Officers, each alone, are hereby authorized to execute and deliver the Continuing Disclosure Certificate, with such changes herein, deletions therefrom, and modifications thereto as the Authorized Officers executing the same may approve. Any Owner 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 Section. Noncompliance with this Section shall not result in acceleration of the Bonds.

SECTION 23. Nonliability of County. Notwithstanding anything to the contrary contained herein, in the Bonds or in any other document mentioned herein, neither the County, nor its officials, officers, employees or agents shall have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby, the Bonds are not a debt of the County or a pledge of the County's full faith and credit, and the Bonds and any liability in connection therewith shall be paid solely from the moneys of the District.

SECTION 24. Indemnification of County. The District shall defend, indemnify and hold harmless the County, its officials, officers, agents and employees ("Indemnified Parties") against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject based in whole or in part upon any acts or omission related to the Bonds, except with regard to the County's responsibilities under Section 19 hereof. The District shall also reimburse the Indemnified Parties for any legal or other costs and expenses incurred in connection with investigating or defending any such claims or liabilities.

SECTION 25. Reimbursement of County Costs. The District shall reimburse the Counties for all costs and expenses incurred by the Counties, its officials, officers, agents and employees in issuing or otherwise in connection with the Bonds.

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SECTION 26. Effective Date. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 7th day of August, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

BOARD OF TRUSTEES OF THE WEST
VALLEY-MISSION COMMUNITY
COLLEGE DISTRICT

President, Board of Trustees

Attest:

Secretary to the Board of Trustees

SECRETARY'S CERTIFICATE

I, _____, Secretary to the Board of Trustees of the West Valley-Mission Community College District, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Trustees of said District duly and regularly and legally held at the regular meeting place thereof on August 7, 2012, of which meeting all of the members of the Board of said District had due notice and at which a quorum was present.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes.

Said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: August __, 2012

Secretary to the Board of Trustees

APPENDIX A

(Form of Current Interest Bond)

REGISTERED
NO.REGISTERED
\$WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
(SANTA CLARA AND SANTA CRUZ COUNTIES, CALIFORNIA)
ELECTION OF 2012 GENERAL OBLIGATION BONDS, SERIES 2012A

<u>INTEREST RATE:</u>	<u>MATURITY DATE:</u>	<u>DATED AS OF:</u>	<u>CUSIP</u>
___% per annum	August 1, 20__	_____, 2012	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The West Valley-Mission Community College District (the "District") in Santa Clara and Santa Cruz Counties, California, for value received, promises to pay to the Registered Owner named above, or registered assigns, the Principal Amount on the Maturity Date, each as stated above, and interest thereon until the Principal Amount is paid or provided for at the Interest Rate stated above, on February 1 and August 1 of each year (the "Bond Payment Dates"), commencing February 1, 2013. Interest on this Bond shall be computed on the basis of a 360-day year of twelve 30-day months. This bond will bear interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before January 15, 2013 in which event it shall bear interest from its Dated Date. Principal and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the Register maintained by the Paying Agent, initially The Bank of New York Mellon Trust Company, N.A.. Principal is payable upon presentation and surrender of this bond at the designated office of the Paying Agent. Interest is payable by check or draft mailed by the Paying Agent on each Bond Payment Date to the Registered Owner of this bond (or one or more predecessor bonds) as shown and at the address appearing on the Register at the close of business on the 15th day of the calendar month next preceding that Bond Payment Date (the "Record Date"). The Owner of Current Interest Bonds in the aggregate principal amount of One Million Dollars (\$1,000,000) or more may request in writing to the Paying Agent that the Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

This bond is one of an issue of \$_____ of bonds approved to raise money for the purposes authorized by voters of the District at the Election, defined below; and to pay all necessary legal, financial, engineering and contingent costs in connection therewith under authority of and pursuant to the laws of the State of California, and the requisite fifty-five percent or more vote of the qualified electors of the District cast at a special election held on June 5, 2012 (the "Election"), upon the question of issuing bonds in the amount of \$350,000,000 and the resolution of the Board of

Trustees of the District adopted on August 7, 2012 (the "Bond Resolution"). This bond is being issued under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code. This bond and the issue of which this bond is one 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 in accordance with California Education Code Sections 15250 and 15252.

The bonds of this issue comprise (i) \$_____ Principal amount of Current Interest Bonds, of which this bond is a part (each, a "Current Interest Bond"), (ii) Capital Appreciation Bonds of which \$_____ represents the Denominational Amount and \$_____ represents the Maturity Value, and (iii) Convertible Capital Appreciation Bonds, of which \$_____ represents the Denominational Amount and \$_____ represents the Conversion Value.

This bond is exchangeable and transferable for bonds of like tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the designated office of the Paying Agent, 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. All fees and costs of transfer 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.

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 business day next preceding either any Bond Payment Date or any date of selection of bonds to be redeemed and ending with the close of business on the Bond Payment Date or 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.

[The Current Interest Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their fixed maturity dates. The Current Interest Bonds maturing on or after August 1, 20__ are subject to redemption prior to their respective 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 August 1, 20__, at a redemption price equal to the principle amount of the Current Interest Bonds called for redemption, together with interest accrued thereon to the date fixed for redemption, without premium.]

[The Current Interest Bonds maturing on August 1, 20__, are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20__, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amounts represented by such Current Interest Bonds to be so redeemed and the dates therefor and the final principal payment date is as indicated in the following table:]

Redemption Date
(August 1)

Principal Amount

Total

⁽¹⁾ Final Maturity.

In the event that a portion of the Current Interest Bonds maturing on August 1, 20__ is optionally redeemed, the remaining mandatory sinking fund payments shall be reduced proportionately, in integral multiples of \$5,000 Principal Amount in respect of the portion of such Term Bond optionally redeemed, or as otherwise directed by the District.

If less than all of the bonds of any one maturity shall be called for redemption, the particular bonds or portions of bonds of such maturity to be redeemed shall be selected by the Paying Agent in such manner as the District may direct, and if not so directed, by lot by the Paying Agent in such a manner as the Paying Agent, in its discretion, may determine; provided, however, that the portion of any bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof. If less than all of the bonds stated to mature on different dates shall be called for redemption, the particular bonds or portions thereof to be redeemed shall be called in any order of maturity selected by the District or, if not so selected, in the inverse order of maturity.

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 Registered Owner of this bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and 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.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the West Valley-Mission Community College District, Santa Clara and Santa Cruz Counties, 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 Board of Trustees, and to be countersigned by the manual or facsimile signature of the Secretary to the Board of Trustees, all as of the date stated above.

WEST VALLEY-MISSION COMMUNITY
COLLEGE DISTRICT

By: _____
(Facsimile Signature)
President of the Board of Trustees

COUNTERSIGNED:

(Facsimile Signature)
Secretary to the Board of Trustees

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the Bond Resolution referred to herein which has been authenticated and registered on _____, 2012.

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

By: _____
Authorized Representative

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and zip code of Transferee): _____ this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the within bond in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered Owner hereof, Cede & Co., has an interest herein.

LEGAL OPINION

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation in connection with the issuance of, and dated as of the date of the original delivery of, the bonds. A signed copy is on file in my office.

(Facsimile Signature)
Secretary to the Board of Trustees

(Form of Legal Opinion)

(Form of Capital Appreciation Bond)

REGISTERED
NO.

REGISTERED
\$

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
(SANTA CLARA AND SANTA CRUZ COUNTIES, CALIFORNIA)
ELECTION OF 2012 GENERAL OBLIGATION BONDS, SERIES 2012A

ACCRETION RATE: MATURITY DATE: DATED AS OF: CUSIP
 August 1, 20__ _____, 2012

REGISTERED OWNER: CEDE & CO.

DENOMINATIONAL AMOUNT:

MATURITY VALUE:

The West Valley-Mission Community College District (the "District") in Santa Clara and Santa Cruz Counties, California, for value received, promises to pay to the Registered Owner named above, or registered assigns, the Maturity Value on the Maturity Date, each as stated above, such Maturity Value comprising the Denominational Amount and interest accreted thereon. This bond will not bear current interest but will accrete interest, compounded on each February 1 and August 1, commencing on February 1, 2013 at the Accretion Rate specified above to the Maturity Date, assuming that in any such semiannual period the sum of such compounded accreted interest and the Initial Principal Amount (such sum being herein called the "Accreted Value") increases in equal daily amounts on the basis of a 360-day year consisting of twelve 30-day months. Accreted Value and redemption premium, if any, are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the Register maintained by the Paying Agent, initially The Bank of New York Mellon Trust Company, N.A.. Accreted Value and redemption premium, if any, are payable upon presentation and surrender of this bond at the designated office of the Paying Agent.

This bond is one of an issue of \$_____ of bonds approved to raise money for the purposes authorized by voters of the District at the Election, defined below; and to pay all necessary legal, financial, engineering and contingent costs in connection therewith under authority of and pursuant to the laws of the State of California, and the requisite fifty-five percent or more vote of the qualified electors of the District cast at a special election held on June 5, 2012 (the "Election"), upon the question of issuing bonds in the amount of \$350,000,000 and the resolution of the Board of Trustees of the District adopted on August 7, 2012 (the "Bond Resolution"). This bond is being issued under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code. This bond and the issue of which this bond is one 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 in accordance with California Education Code Sections 15250 and 15252.

The bonds of this issue comprise (i) \$_____ Principal amount of Current Interest Bonds, (ii) Capital Appreciation Bonds, of which this bond is a part (each a "Capital Appreciation

Bond”) of which \$_____ represents the Denominational Amount and \$_____ represents the Maturity Value, and (iii) Convertible Capital Appreciation Bonds, of which \$_____ represents the Denominational Amount and \$_____ represents the Conversion Value.

This bond is exchangeable and transferable for bonds of like tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the designated office of the Paying Agent, 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. All fees and costs of transfer 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.

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 business day next preceding either any Bond Payment Date or any date of selection of bonds to be redeemed and ending with the close of business on the Bond Payment Date or 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.

[The Capital Appreciation Bonds are not subject to redemption prior to their stated maturities.]

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 Capital Appreciation 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 Registered Owner of this bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and 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.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the West Valley-Mission Community College District, Santa Clara and Santa Cruz Counties, 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 Board of Trustees, and to be countersigned by the manual or facsimile signature of the Secretary to the Board of Trustees, all as of the date stated above.

WEST VALLEY-MISSION COMMUNITY
COLLEGE DISTRICT

By: _____
(Facsimile Signature)
President of the Board of Trustees

COUNTERSIGNED:

(Facsimile Signature)
Secretary to the Board of Trustees

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the Bond Resolution referred to herein which has been authenticated and registered on _____, 2012.

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

By: _____
Authorized Representative

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and ZIP code of Transferee): _____ this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or by any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered Owner hereof, Cede & Co., has an interest herein.

LEGAL OPINION

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation, in connection with the issuance of, and dated as of the date of the original delivery of, the bonds. A signed copy is on file in my office.

(Facsimile Signature)
Secretary to the Board of Trustees

(Form of Legal Opinion)

(Form of Convertible Capital Appreciation Bond)

REGISTERED
NO.

REGISTERED
\$

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
(SANTA CLARA AND SANTA CRUZ COUNTIES, CALIFORNIA)
ELECTION OF 2012 GENERAL OBLIGATION BONDS, SERIES 2012A

ACCRETION RATE TO <u>CONVERSION DATE</u>	<u>CONVERSION DATE</u>	INTEREST RATE AFTER THE <u>CONVERSION DATE</u>	<u>MATURITY DATE:</u>	<u>DATED DATE:</u>	<u>CUSIP</u>
_____	_____, 20__	_____	_____, 20__	_____, 2012	

REGISTERED OWNER: CEDE & CO.

DENOMINATIONAL AMOUNT:

CONVERSION VALUE :

The West Valley-Mission Community College District (the "District") in Santa Clara and Santa Cruz Counties, California (the "County") for value received, promises to pay to the Registered Owner named above, or registered assigns, the Conversion Value (such Conversion Value comprising the initial Denominational Amount and interest accreted thereon to the Conversion Date) on the Maturity Date, each as stated above, and interest thereon until the Conversion Value is paid or provided for at the Interest Rate stated above, on February 1 and August 1 of each year (the "Bond Payment Dates"), commencing _____, 20__. Prior to the Conversion Date, this bond will not bear current interest but will accrete interest, compounded on each February 1 and August 1, commencing on February 1, 2013 at the Accretion Rate specified above to the Conversion Date, assuming that in any such semiannual period the sum of such compounded accreted interest and the Denomination Amount (such sum being herein called the "Accreted Value") increases in equal daily amounts on the basis of a 360-day year consisting of twelve 30-day months. This bond will bear interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before _____ 15, 20__, in which event it will bear interest from the Conversion Date. Conversion Value and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the register maintained by the Paying Agent, initially The Bank of New York Mellon Trust Company, N.A.. Accreted Value and redemption premium, if any, are payable upon presentation and surrender of this bond at the designated office of the Paying Agent.

This bond is one of an issue of \$_____ of bonds approved to raise money for the purposes authorized by voters of the District at the Election, defined below; and to pay all necessary legal, financial, engineering and contingent costs in connection therewith under authority of and pursuant to the laws of the State of California, and the requisite fifty-five percent or more vote of the qualified electors of the District cast at a special election held on June 5, 2012 (the "Election"), upon the question of issuing bonds in the amount of \$350,000,000 and the resolution of the Board of

Trustees of the District adopted on August 7, 2012 (the "Bond Resolution"). This bond is being issued under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code. This bond and the issue of which this bond is one 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 in accordance with California Education Code Sections 15250 and 15252.

The bonds of this issue comprise (i) \$_____ Principal amount of Current Interest Bonds, (ii) Capital Appreciation Bonds, of which \$_____ represents the Denominational Amount and \$_____ represents the Maturity Value, and (iii) Convertible Capital Appreciation Bonds, of which this bond is a part (each a "Convertible Capital Appreciation Bond") of which \$_____ represents the Denominational Amount and \$_____ represents the Conversion Value.

This bond is exchangeable and transferable for bonds of like tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the designated office of the Paying Agent, 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. All fees and costs of transfer 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.

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 business day next preceding either any Bond Payment Date or any date of selection of bonds to be redeemed and ending with the close of business on the Bond Payment Date or 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.

[The Convertible Capital Appreciation Bonds may be redeemed prior to their respective stated maturity dates at the option of the District, from any source of funds, in whole or in part on August 1, 20__ or on any date thereafter, at a redemption price equal to 100% of the Conversion Value thereof, together with interest accrued thereon to the date fixed for redemption, without premium.]

[The Convertible Capital Appreciation Term Bonds are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each of the years shown below, at a redemption price equal to the Conversion Value thereof, together with accrued interest thereon to the date fixed for redemption, without premium. The Conversion Value represented by such Convertible Capital Appreciation Term Bonds to be so redeemed and the dates therefor and the final mandatory sinking fund payment date are as indicated in the following table:]

Redemption Date (August 1)	<u>Conversion Value</u>
-------------------------------	-------------------------

In the event that a portion of the Convertible Capital Appreciation Term Bonds maturing on August 1, 20__ is optionally redeemed, the remaining mandatory sinking fund payments shall be reduced proportionately, in integral multiples of \$5,000 of Conversion Value, in respect of the portion of such Term Bond optionally redeemed, or as otherwise directed by the District.

If less than all of the bonds of any one maturity shall be called for redemption, the particular bonds or portions of bonds of such maturity to be redeemed shall be selected by the Paying Agent in such manner as the District may direct, and if not so directed, by lot by the Paying Agent in such a manner as the Paying Agent, in its discretion, may determine; provided, however, that the portion of any bond to be redeemed shall be in the Conversion Value of \$5,000 or some integral multiple thereof. If less than all of the bonds stated to mature on different dates shall be called for redemption, the particular bonds or portions thereof to be redeemed shall be called in any order of maturity selected by the District or, if not so selected, in the inverse order of maturity.

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 Registered Owner of this bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and 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.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the West Valley-Mission Community College District, Santa Clara and Santa Cruz Counties, 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 Board of Trustees, and to be countersigned by the manual or facsimile signature of the Secretary to the Board of Trustees, all as of the date stated above.

WEST VALLEY-MISSION COMMUNITY
COLLEGE DISTRICT

By: _____
(Facsimile Signature)
President of the Board of Trustees

COUNTERSIGNED:

(Facsimile Signature)
Secretary to the Board of Trustees

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the Bond Resolution referred to herein which has been authenticated and registered on _____, 2012.

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

By: _____
Authorized Representative

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and ZIP code of Transferee): _____ this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or by any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered Owner hereof, Cede & Co., has an interest herein.

LEGAL OPINION

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation, in connection with the issuance of, and dated as of the date of the original delivery of, the bonds. A signed copy is on file in my office.

(Facsimile Signature)
Secretary to the Board of Trustees

(Form of Legal Opinion)

ITEM 7.2
AUGUST 7, 2012
ACTION ITEM

PREPARED BY: ED MADULI

APPROVED BY: PATRICK SCHMITT

SUBJECT: RESOLUTION NO. 12080702 AUTHORIZING THE ISSUANCE OF WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT GENERAL OBLIGATION REFUNDING BONDS

CHANCELLOR'S RECOMMENDATION:

That the Board of Trustees authorize the adoption of Resolution No. **12080702** authorizing the issuance of 2012 General Obligation Refunding Bonds in an aggregate principal amount not-to-exceed \$40,000,000.

Funding Source/Fiscal Impact

There is no fiscal impact associated with this item.

Reference(s)

This item is associated with the Measure H Project Priority List.

Background/Alternatives

This resolution authorizes the issuance of general obligation refunding bonds to refund a portion of the General Obligation Bonds 2004, 2006 Series A in an aggregate principal amount not-to-exceed \$40,000,000. The estimated tax rate will be less than \$14.00 per \$100,000 of assessed valuation.

Coordination

This item has been reviewed by the Chancellor, Vice Chancellor of Administrative Services, and Bond Counsel.

Follow-up/Outcome

Upon Board approval, the administration will proceed with the issuance of general obligation refunding bonds.

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT

RESOLUTION NO. 12080702

RESOLUTION AUTHORIZING THE ISSUANCE OF THE WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT (SANTA CLARA AND SANTA CRUZ COUNTIES, CALIFORNIA) 2012 GENERAL OBLIGATION REFUNDING BONDS

WHEREAS, a duly called election was held in the West Valley-Mission Community College District (hereinafter referred to as the “District”), on November 2, 2004 (the “Authorization”) and thereafter canvassed pursuant to law;

WHEREAS, at such election there was submitted to and approved by a vote of more than fifty-five percent of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of \$235,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District;

WHEREAS, pursuant to the Authorization, the District previously caused the issuance of \$100,000,000 of West Valley-Mission Community College District (Santa Clara and Santa Cruz Counties, California) General Obligation Bonds, Election of 2004, 2006 Series A (the “Prior Bonds”);

WHEREAS, pursuant to Section 53550 *et seq.* of the California Government Code, the District is authorized to issue general obligation refunding bonds (the “Refunding Bonds”) to refund all or a portion of the outstanding Prior Bonds (so refunded, the “Refunded Bonds”);

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and whereas the indebtedness of the District, including this proposed issue of Refunding Bonds, is within all limits prescribed by law; and

WHEREAS, this Board desires to appoint professionals related to the issuance of the Refunding Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT AS FOLLOWS:

SECTION 1. Purpose. To refund all or a portion of the outstanding principal amount of the Prior Bonds and to pay all necessary legal, financial, and contingent costs in connection therewith, the District hereby authorizes the issuance of the Refunding Bonds in one or more series, to be styled as the “West Valley-Mission Community College District (Santa Clara and Santa Cruz Counties, California) 2012 General Obligation Refunding Bonds,” in an aggregate principal amount not-to-exceed \$70,000,000. Additional costs authorized to be paid from the proceeds of the Refunding Bonds are all of the authorized costs of issuance set forth in Section 53550(e) and (f) and Section 53587 of the Government Code.

SECTION 2. Paying Agent. The Board does hereby appoint The Bank of New York Mellon Trust Company, N.A., as Paying Agent (defined herein) for the Refunding Bonds on behalf of the District.

SECTION 3. Terms and Conditions of Sale. The Refunding Bonds are hereby authorized to be sold at a negotiated sale upon the direction of an Authorized Officer (defined herein). The Refunding Bonds shall be sold pursuant to the terms and conditions set forth in the Purchase Contract, as described below.

SECTION 4. Approval of Purchase Contract. The form of Purchase Contract (the "Purchase Contract") by and between the District and RBC Capital Markets, LLC (the "Representative"), as representative of itself and E. J. De La Rosa & Co., Inc. (collectively, the "Underwriters") for the purchase and sale of the Refunding Bonds, substantially in the form on file with the Secretary to or Clerk of the Board, is hereby approved and the Chancellor of the District (the "Chancellor"), the Vice Chancellor, Administrative Services of the District (the "Vice Chancellor"), the Director, Fiscal Services of the District, and such other officers or employees of District as the Chancellor or Vice Chancellor may designate for such purpose (collectively, the "Authorized Officers"), each alone, are hereby authorized to execute and deliver the Purchase Contract, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by his or her execution and delivery thereof; provided, however, that the maximum interest rates of the Refunding Bonds shall not exceed the maximum rate permitted by law, and the underwriting discount shall not exceed 0.50% of the aggregate principal amount of the Refunding Bonds issued, excluding therefrom original issue discount thereon. The Authorized Officers, each alone, are further authorized to determine the principal amount of the Refunding Bonds to be specified in the Purchase Contract for sale by the District up to \$70,000,000 and to enter into and execute the Purchase Contract with the Representative, if the conditions set forth in this Resolution are satisfied.

SECTION 5. Certain Definitions. As used in this Resolution, the terms set forth below shall have the meanings ascribed to them (unless otherwise set forth in the Purchase Contract):

(a) **"Authorization"** means the authorization received by the District to issue the Prior Bonds at an election held on November 2, 2004.

(b) **"Act"** means Sections 53550 *et seq.* of the California Government Code.

(c) **"Bond Insurer"** means any insurance company which issues a municipal bond insurance policy insuring the payment of principal of and interest on the Refunding Bonds.

(d) **"Bond Payment Date"** means, unless otherwise provided by the Purchase Contract, February 1 and August 1 of each year commencing February 1, 2013 with respect to the interest on the Refunding Bonds, and August 1 of each year commencing August 1, 2013 with respect to the principal payments on the Refunding Bonds.

(e) **"Code"** means the Internal Revenue Code of 1986, as the same may be amended from time to time. Reference to a particular section of the Code shall be deemed to be a reference to any successor to any such section.

(f) **"Depository"** means, initially, DTC, and thereafter the securities depository acting as Depository pursuant to Section 6(c) hereof.

(g) **“DTC”** means The Depository Trust Company, New York, New York, 55 Water Street, New York, New York 10041, Tel: (212) 855-1000 or Fax: (212) 855-7320, a limited purpose trust company organized under the laws of the State of New York, in its capacity as Depository for the Refunding Bonds.

(h) **“Escrow Agent”** means The Bank of New York Mellon Trust Company, N.A., or any other successor thereto, in its capacity as escrow agent for the Refunded Bonds.

(i) **“Escrow Agreement”** means the Escrow Agreement relating to the Refunded Bonds, by and between the District and the Escrow Agent.

(j) **“Federal Securities”** means securities as permitted, in accordance with the authorizing resolution pursuant to which the Prior Bonds were issued, to be deposited with the Escrow Agent for the purpose of defeasing the Prior Bonds.

(k) **“Information Services”** means Financial Information, Inc.’s “Financial Daily Called Bond Service; Standard & Poor’s J.J. Kenny Information Services’ Called Bond Service; or Mergent Inc.’s Called Bond Department.

(l) **“Nominee”** means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 6(c) hereof.

(m) **“Outstanding”** means, when used with reference to the Refunding Bonds, as of any date, Bonds theretofore issued or thereupon being issued under this resolution except:

(i) Refunding Bonds canceled at or prior to such date;

(ii) Refunding Bonds in lieu of or in substitution for which other Refunding Bonds shall have been delivered pursuant to Section 8 hereof; or

(iii) Refunding Bonds for the payment or redemption of which funds or Government Obligations in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Refunding Bonds), in accordance with Section 19 of this Resolution.

(n) **“Owners”** or **“Registered Owner”** means the registered owner of a Bond as set forth on the registration books maintained by the Paying Agent pursuant to Section 6 hereof.

(o) **“Participants”** means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as securities depository.

(p) **“Paying Agent”** means The Bank of New York Mellon Trust Company, N.A., or any successor financial institution, acting as paying agent, verification agent, transfer agent, bond registrar for the Refunding Bonds.

(q) **“Record Date”** means the close of business on the fifteenth day of the month preceding each Bond Payment Date.

(r) **“Securities Depository”** means The Depository Trust Company, 55 Water Street, New York, New York 10041, Tel: (212) 855-1000 or Fax: (212) 855-7320 with Cede & Co. as its nominee.

(s) **“Term Bonds”** means those Refunding Bonds for which mandatory sinking fund redemption dates have been established in the Purchase Contract.

SECTION 6. Terms of the Refunding Bonds.

(a) Denomination, Interest, Dated Dates. The Refunding Bonds shall be issued as bonds registered as to both principal and interest, in the denominations of \$5,000 or any integral multiple thereof. The Refunding Bonds will be initially registered to “Cede & Co.,” the nominee of DTC.

Each Refunding Bond shall be dated the date of delivery of the Refunding Bonds or such other date as shall appear in the Purchase Contract (the “Date of Delivery”), and shall bear interest at the rates set forth in the Purchase Contract from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record Date, in which event it shall bear interest from the Date of Delivery. Interest on the Refunding Bonds shall be payable on the respective Bond Payment Dates and shall be computed on the basis of a 360-day year of twelve 30-day months.

No Refunding Bond shall mature later than the final maturity date of each series of the Refunded Bonds to be refunded from proceeds of such Refunding Bond.

(b) Redemption.

(i) Optional Redemption. The Refunding Bonds shall be subject to optional redemption prior to maturity as provided in the Purchase Contract.

(ii) Mandatory Redemption. Any Refunding Bonds issued as Term Bonds shall be subject to mandatory sinking fund redemption as provided in the Purchase Contract.

In the event that a portion of any Term Bond is optionally redeemed pursuant to Section 6(b)(i) hereof, the remaining sinking fund payments shall be reduced proportionately or as otherwise directed by the District, in integral multiples of \$5,000, in respect to the portion of such Term Bond optionally redeemed.

(iii) Selection of Refunding Bonds for Redemption. Whenever provision is made in this Resolution for the redemption of Refunding Bonds and less than all outstanding Refunding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Refunding Bonds for redemption as so directed and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent shall select Refunding Bonds for redemption as directed by the District, and if not so directed, by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, the Purchase Contract may provide that, within a maturity, Refunding Bonds shall be selected for redemption on a “Pro Rata Pass-Through Distribution of Principal” basis in accordance with DTC procedures, provided further that, such pro-rata redemption is made in accordance with the operational arrangements of DTC then in effect.

With respect to redemption by lot, the portion of any Refunding Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple thereof.

(iv) Notice of Redemption. When redemption is authorized or required pursuant to Section 6(b)(i) hereof, the Paying Agent, upon written instruction from the District, shall give notice (a "Redemption Notice") of the redemption of the Refunding Bonds. Such Redemption Notice shall specify: the Refunding Bonds or designated portions thereof (in the case of redemption of the Refunding Bonds in part but not in whole) which are to be redeemed; the date of redemption; the place or places where the redemption will be made, including the name and address of the Paying Agent; the redemption price; the CUSIP numbers (if any) assigned to the Refunding Bonds to be redeemed, the Refunding Bond numbers of the Refunding Bonds to be redeemed in whole or in part and, in the case of any Refunding Bond to be redeemed in part only, the principal amount of such Refunding Bond to be redeemed; and the original issue date, interest rate and stated maturity date of each Refunding Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Refunding Bond or portion thereof being redeemed at the redemption price thereof, together with the interest accrued to the redemption date thereon, and that from and after such date, interest with respect thereto shall cease to accrue.

With respect to any notice of redemption of Refunding Bonds pursuant to Section 6(b)(i) hereof, unless upon the giving of such notice such Refunding Bonds shall be deemed to have been defeased pursuant to Section 19 hereof, such notice shall state that such redemption shall be conditional upon the receipt by an independent escrow agent selected by the District on or prior to the date fixed for such redemption of the moneys necessary and sufficient to pay the principal of, and premium, if any, and interest on, such Refunding Bonds to be redeemed, and that if such moneys shall not have been so received said notice shall be of no force and effect, the Refunding Bonds shall not be subject to redemption on such date and the Refunding Bonds shall not be required to be redeemed on such date. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made and the Paying Agent shall within a reasonable time thereafter give notice, to the persons to whom and in the manner in which the notice of redemption was given, that such moneys were not so received.

The Paying Agent shall take the following actions with respect to such Redemption Notice:

(A) At least 20 but not more than 60 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Refunding Bonds designated for redemption by registered or certified mail, postage prepaid, at their addresses appearing on the Bond Register.

(B) At least 20 but not more than 60 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service to each of the Securities Depository.

(C) At least 20 but not more than 60 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, or (ii) overnight delivery service to one of the Information Services.

Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Refunding Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Refunding Bonds shall bear or include the CUSIP number identifying, by issue and maturity, the Refunding Bonds being redeemed with the proceeds of such check or other

transfer. Such redemption notices may state that no representation is made as to the accuracy or correctness of the CUSIP numbers printed therein or on the Bonds.

(v) Partial Redemption of Refunding Bonds. Upon the surrender of any Refunding Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Refunding Bond or Refunding Bonds of like tenor and maturity and of authorized denominations equal in transfer amounts to the unredeemed portion of the Refunding Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(vi) Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest accrued to the applicable date of redemption) having been set aside as provided in Section 19 hereof, the Refunding Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Refunding Bonds to be redeemed as provided in Section 6(b)(i) hereof, together with interest accrued to such redemption date, shall be held by an independent escrow agent selected by the District, as provided in Section 19 hereof, so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Refunding Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Refunding Bonds shall be held in trust for the account of the Owners of the Refunding Bonds to be redeemed.

All Refunding Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 6 shall be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Refunding Bond purchased by the District shall be cancelled by the Paying Agent.

(vii) Refunding Bonds No Longer Outstanding. When any Refunding Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be irrevocably held in trust for the payment of the redemption price of such Refunding Bonds or portions thereof, and accrued interest thereon to the date fixed for redemption, all as provided in this Resolution, then such Refunding Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

(c) Book-Entry System.

(i) Election of Book-Entry System. The Refunding Bonds shall initially be delivered in the form of a separate single fully-registered bond (which may be typewritten) for each maturity date of such Refunding Bonds in an authorized denomination. The ownership of each such Refunding Bond shall be registered in the register of bonds ("Bond Register") maintained by the Paying Agent in the name of the Nominee, as nominee of the Depository and ownership of the Refunding Bonds, or any portion thereof may not thereafter be transferred except as provided in Section 6(c)(i)(4).

The District and the Paying Agent shall have no responsibility or obligation to any Participant or to any person on behalf of which such Participant holds an interest in such Refunding Bonds. Without limiting 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 Participant with respect to any ownership interest in the Refunding Bonds; (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Bond Register, of any notice with respect to the Refunding Bonds, including any notice of redemption; (iii) the selection by the Depository and its Participants of the beneficial interests in the Refunding Bonds to be prepaid in the event the District redeems the Refunding Bonds in part; (iv) or the payment by the Depository or any Participant or any other person, of any amount with respect to principal, premium, if any, or interest on the Refunding Bonds. The District and the Paying Agent may treat and consider the person in whose name each Refunding Bond is registered in the Bond Register as the absolute Owner of such the Refunding Bond for the purpose of payment of principal of and premium and interest on and to such Refunding Bond, for the purpose of giving notices of redemption and other matters with respect to such Refunding Bond, for the purpose of registering transfers with respect to such Refunding Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of and premium, if any, and interest on the Refunding Bonds only to or upon the order of the respective Owner, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, and premium, if any, and interest on the Refunding Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a certificate evidencing the obligation to make payments of principal of, and premium, if any, and interest on the Refunding Bonds. Upon delivery by the Depository to the Owner and the Paying Agent, of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to the Record Date, the word "Nominee" in this Resolution shall refer to such nominee of the Depository.

(1) Delivery of Letter of Representations. In order to qualify the Refunding Bonds for the Depository's book-entry system, the District and the Paying Agent shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the District or the Paying Agent any obligation whatsoever with respect to persons having interests in the Refunding Bonds other than the Owners, as shown on the Bond Register. By executing a Letter of Representations, the Paying Agent shall agree to take all action necessary at all times so that the District will be in compliance with all representations of the District in such Letter of Representations. In addition to the execution and delivery of a Letter of Representations, the District and the Paying Agent shall take such other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify the Refunding Bonds for the Depository's book-entry program.

(2) Selection of Depository. In the event (i) the Depository determines not to continue to act as securities depository for the Refunding Bonds, or (ii) the District determines that continuation of the book-entry system is not in the best interest of the beneficial owners of the Refunding Bonds or the District, then the District will discontinue the book-entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered bond for each maturity date of such the Refunding Bond, registered in the name of such successor or substitute qualified securities depository or its Nominee as provided in subsection (4) hereof. If the District fails to identify another qualified securities depository to replace the Depository, then the Refunding Bonds shall no longer be restricted to being registered

in such Bond Register in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging such Refunding Bonds shall designate, in accordance with the provisions of this Section 6(c).

(3) Payments to Depository. Notwithstanding any other provision of this Resolution to the contrary, so long as all outstanding Refunding Bonds are held in book-entry and registered in the name of the Nominee, all payments by the District or Paying Agent with respect to principal of and premium, if any, or interest on the Refunding Bonds and all notices with respect to such Refunding Bonds shall be made and given, respectively to the Nominee, as provided in the Letter of Representations or as otherwise instructed by the Depository and agreed to by the Paying Agent notwithstanding any inconsistent provisions herein.

(4) Transfer of Refunding Bonds to Substitute Depository.

(A) The Refunding Bonds shall be initially issued as described in the Official Statement. Registered ownership of such Refunding Bonds, or any portions thereof, may not thereafter be transferred except:

(1) to any successor of DTC or its Nominee, or of any substitute depository designated pursuant to Section 6(c)(i)(4)(A)(2) (“Substitute Depository”); provided that any successor of DTC or Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(2) to any Substitute Depository, upon (a) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (b) a determination by the District that DTC (or its successor) is no longer able to carry out its functions as depository; provided that any such Substitute Depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(3) to any person as provided below, upon (a) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (b) a determination by the District that DTC or its successor (or Substitute Depository or its successor) is no longer able to carry out its functions as depository.

(B) In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(1) or (2), upon receipt of all outstanding Refunding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent designating the Substitute Depository, a single new Refunding Bond, which the District shall prepare or cause to be prepared, shall be executed and delivered for each maturity of Refunding Bonds then outstanding, registered in the name of such successor or such Substitute Depository or their Nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(3), upon receipt of all outstanding Refunding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, new Refunding Bonds, which the District shall prepare or cause to be prepared, shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such written request of the District, provided that the Paying Agent shall not be required to deliver such new Refunding Bonds within a period of less than sixty (60) days from the date of receipt of such written request from the District.

(C) In the case of a partial redemption of any Refunding Bonds evidencing a portion of the principal maturing in a particular year, DTC or its successor (or any Substitute Depository or its successor) shall make an appropriate notation on such Refunding Bonds indicating the date and

amounts of such reduction in principal, in form acceptable to the Paying Agent, all in accordance with the Letter of Representations. The Paying Agent shall not be liable for such Depository's failure to make such notations or errors in making such notations.

(D) The District and the Paying Agent shall be entitled to treat the person in whose name any Refunding Bond is registered as the Owner thereof for all purposes of this Resolution and any applicable laws, notwithstanding any notice to the contrary received by the Paying Agent or the District; and the District and the Paying Agent shall not have responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Refunding Bonds. Neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to any such beneficial owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of any Refunding Bonds, and the Paying Agent may rely conclusively on its records as to the identity of the Owners of the Refunding Bonds.

SECTION 7. Execution of Refunding Bonds. The Refunding Bonds shall be signed by the President of the Board of Trustees of the District, by his or her manual or facsimile signature and countersigned by the manual or facsimile signature of the Secretary to the Board, all in their official capacities. No Refunding Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Refunding Bond is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the Refunding Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

SECTION 8. Paying Agent; Transfer and Exchange. So long as any of the Refunding Bonds remain Outstanding, the District will cause the Paying Agent to maintain and keep at its designated office all books and records necessary for the registration, exchange and transfer of the Refunding Bonds as provided in this Section. Subject to the provisions of Section 9 below, the person in whose name a Refunding Bond is registered on the Bond Register shall be regarded as the absolute Owner of that Refunding Bond for all purposes of this Resolution. Payment of or on account of the principal of and premium, if any, and interest on any Refunding Bond shall be made only to or upon the order of that person; neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Refunding Bonds, including interest, to the extent of the amount or amounts so paid.

Any Refunding Bond may be exchanged for Refunding Bonds of like tenor, maturity and transfer amount upon presentation and surrender at the designated office of the Paying Agent, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Refunding Bond may be transferred on the Bond Register only upon presentation and surrender of the Refunding Bond at the designated office of the Paying Agent together with an assignment executed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new Refunding Bond or Refunding Bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the transfer amount of the Refunding Bond surrendered and bearing or accruing interest at the same rate and maturing on the same date.

If manual signatures on behalf of the District are required in connection with an exchange or transfer, the Paying Agent shall undertake the exchange or transfer of Refunding Bonds only after the new Refunding Bonds are signed by the authorized officers of the District. In all cases of exchanged or transferred Refunding Bonds, the District shall sign and the Paying Agent shall authenticate and deliver

Refunding Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Refunding Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the Refunding Bonds surrendered upon that exchange or transfer.

Any Refunding Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be cancelled by the Paying Agent. The District may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Refunding Bonds that the District may have acquired in any manner whatsoever, and those Refunding Bonds shall be promptly cancelled by the Paying Agent. Written reports of the surrender and cancellation of Refunding Bonds shall be made to the District by the Paying Agent as requested by the District. The cancelled Refunding Bonds shall be retained for three years, then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Refunding Bonds during a period beginning with the opening of business on the 15th business day next preceding either any Bond Payment Date or any date of selection of Refunding Bonds to be redeemed and ending with the close of business on the Bond Payment Date or any day on which the applicable notice of redemption is given or (b) to transfer any Refunding Bonds which have been selected or called for redemption in whole or in part.

SECTION 9. Payment. Payment of interest on any Refunding Bond on any Bond Payment Date shall be made to the person appearing on the registration books of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by check mailed to such Owner on the Bond Payment Date at his address as it appears on such registration books or at such other address as he may have filed with the Paying Agent for that purpose on or before the Record Date. The Owner in an aggregate principal amount of \$1,000,000 or more may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The principal, and redemption price, if any, payable on the Refunding Bonds shall be payable upon maturity or redemption upon surrender at the designated office of the Paying Agent. The interest, principal and premiums, if any, on the Refunding Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the Refunding Bonds when duly presented for payment at maturity, and to cancel all Refunding Bonds upon payment thereof. The Refunding Bonds are general obligations of the District, payable without limit as to rate or amount solely from the levy of *ad valorem* property taxes upon all property subject to taxation within the District.

SECTION 10. Form of Refunding Bonds. The Refunding Bonds shall be in substantially the form attached hereto as Appendix A, allowing those officials executing the Refunding Bonds to make the insertions and deletions necessary to conform the Refunding Bonds to this Resolution, the Purchase Contract and the Official Statement.

SECTION 11. Delivery of Refunding Bonds. The proper officials of the District shall cause the Refunding Bonds to be prepared and, following their sale, shall have the Refunding Bonds signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Refunding Bonds, to the Underwriters upon payment of the purchase price therefor.

SECTION 12. Deposit of Proceeds of Refunding Bonds. An amount of proceeds from the sale of the Refunding Bonds necessary to purchase certain Federal Securities, or to otherwise refund the Refunded Bonds, shall be transferred to the Escrow Agent for deposit in the "West Valley-Mission

Community College District, 2012 General Obligation Refunding Bonds Escrow Fund” (the “Escrow Fund”) established under the Escrow Agreement, which amount, if uninvested, shall be sufficient, or if invested, together with an amount or amounts of cash held uninvested therein, shall be sufficient to refund the Refunded Bonds all as set forth in a certificate of an Authorized Officer. Premium or proceeds received from the sale of the Refunding Bonds desired to pay all or a portion of the costs of issuing the Refunding Bonds may be deposited in the fund of the District held by a fiscal agent selected thereby and shall be kept separate and distinct from all other District funds, and those proceeds shall be used solely for the purpose of paying costs of issuance of the Refunding Bonds.

Any accrued interest received by the District from the sale of the Refunding Bonds shall be kept separate and apart in the fund hereby created and established and to be designated as the “West Valley-Mission Community College District, 2012 General Obligation Refunding Bonds Debt Service Fund” (the “Debt Service Fund”) for the Refunding Bonds and used only for payments of principal of and interest on the Refunding Bonds. The Debt Service Fund shall be held by the County. A portion of the premium received by the District from the sale of the Refunding Bonds may be transferred to the Debt Service Fund or applied to the payment of cost of issuance of the Refunding Bonds, or some combination of deposits. Any excess proceeds of the Refunding Bonds not needed for the authorized purposes set forth herein for which the Refunding Bonds are being issued shall be transferred to the Debt Service Fund and applied to the payment of the principal of and interest on the Refunding Bonds. If, after payment in full of the Refunding Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District.

The moneys 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 Director of Finance of Santa Clara County to the Paying Agent which, in turn, shall pay such moneys to DTC to pay the principal of and interest on the Refunding Bonds. DTC will thereupon make payments of principal and interest on the Refunding Bonds to the DTC Participants who will thereupon make payments of principal and interest to the beneficial owners of the Refunding Bonds. 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.

Except as required below to satisfy the requirements of Section 148(f) of the Code, interest earned on the investment of monies held in the Debt Service Fund shall be retained in the Debt Service Fund and used to pay principal and interest on the Refunding Bonds when due.

SECTION 13. Rebate Fund.

(a) General. If necessary, there shall be created and established a special fund designated the “West Valley-Mission Community College District 2012 General Obligation Refunding Bonds Rebate Fund” (the “Rebate Fund”). All amounts at any time on deposit in the Rebate Fund shall be held in trust, to the extent required to satisfy the requirement to make rebate payments to the United States (the “Rebate Requirement”) pursuant to Section 148 of the Code, as the same may be amended from time to time, and the Treasury Regulations promulgated thereunder (the “Rebate Regulations”). Such amounts shall be free and clear of any lien hereunder and shall be governed by this Section and Section 14 of this Resolution and by the certain tax certificate concerning certain matters pertaining to the use and investment of proceeds of the Refunding Bonds, executed and delivered to the District on the date of issuance of the Refunding Bonds, including any and all exhibits attached thereto (the “Tax Certificate”).

(b) Deposits.

(i) Within forty-five (45) days of the end of each fifth Bond Year (as such term is defined in the Tax Certificate) (1) the District shall calculate or cause to be calculated with respect to the Refunding Bonds the amount that would be considered the “rebate amount” within the meaning of Section 1.148-3 of the Rebate Regulations, using as the “computation date” for this purpose the end of such five Bond Years, and (2) the District shall deposit to the Rebate Fund from deposits from the District or from amounts available therefor on deposit in the other funds established hereunder, if and to the extent required, amounts sufficient to cause the balance in the Rebate Fund to be equal to the “rebate amount” so calculated.

(ii) The District shall not be required to deposit any amount to the Rebate Fund in accordance with the preceding sentence if the amount on deposit in the Rebate Fund prior to the deposit required to be made under this subsection (b) equals or exceeds the “rebate amount” calculated in accordance with the preceding sentence. Such excess may be withdrawn from the Rebate Fund to the extent permitted under subsection (g) of this Section.

(iii) The District shall not be required to calculate the “rebate amount” and the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b), with respect to all or a portion of the proceeds of the Refunding Bonds (including amounts treated as the proceeds of the Refunding Bonds) (1) to the extent such proceeds satisfy the expenditure requirements of Section 148(f)(4)(B) or Section 148 (f)(4)(C) of the Code or Section 1.148-7(d) of the Treasury Regulations or the small issuer exception of Section 148(f)(4)(D) of the Code, whichever is applicable, and otherwise qualify for the exception of the Rebate Requirement pursuant to whichever of said sections is applicable, or (2) to the extent such proceeds are subject to an election by the District under Section 148(f)(4)(C)(vii) of the Code to pay a one and one-half percent (1½%) penalty in lieu of arbitrage rebate in the event any of the percentage expenditure requirements of Section 148(f)(4)(C) are not satisfied, or (3) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a “bona fide debt service fund.” In such event, and with respect to such amounts, the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b).

(c) Withdrawal Following Payment of Refunding Bonds. Any funds remaining in the Rebate Fund after redemption of all the Refunding Bonds and any amounts described in paragraph (ii) of subsection (d) of this Section, including accrued interest, shall be transferred to the General Fund of the District.

(d) Withdrawal for Payment of Rebate. Subject to the exceptions contained in subsection (b) of this Section to the requirement to calculate the “rebate amount” and make deposits to the Rebate Fund, the District shall pay to the United States, from amounts on deposit in the Rebate Fund,

(i) not later than sixty (60) days after the end of (a) the fifth (5th) Bond Year, and (b) each fifth (5th) Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the “rebate amount” calculated as of the end of such Bond Year in accordance with Section 1.148-3 of the Rebate Regulations; and

(ii) not later than sixty (60) days after the payment of all Refunding Bonds, an amount equal to one hundred percent (100%) of the “rebate amount” calculated as of the date of such payment (and any income attributable to the “rebate amount” determined to be due and payable) in accordance with Section 1.148-3 of the Rebate Regulations.

(e) Rebate Payments. Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service Center, Ogden, Utah 84201, on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, such form to be prepared or caused to be prepared by or on behalf of the District.

(f) Deficiencies in the Rebate Fund. In the event that, prior to the time of any payment required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the District shall calculate the amount of such deficiency and deposit an amount equal to such deficiency into the Rebate Fund prior to the time such payment is due.

(g) Withdrawals of Excess Amount. In the event that immediately following the calculation required by subsection (b) of this Section, but prior to any deposit made under said subsection, the amount on deposit in the Rebate Fund exceeds the “rebate amount” calculated in accordance with said subsection, upon written instructions from the District, the District may withdraw the excess from the Rebate Fund and credit such excess to the Debt Service Fund.

(h) Record Retention. The District shall retain records of all determinations made hereunder until three years after the retirement of the Refunding Bonds.

(i) Survival of Defeasance. Notwithstanding anything in this Resolution to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the Refunding Bonds.

SECTION 14. Security for the Refunding Bonds. There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *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, which moneys when collected will be placed in the Debt Service Fund of the District and used for the payment of the principal of and interest on the Refunding Bonds when and as the same fall due, and for no other purpose. The District covenants to cause the Counties to take all actions necessary to levy such *ad valorem* tax in accordance with this Section 14 and Section 53559 of the Act.

SECTION 15. Arbitrage Covenant. The District will restrict the use of the proceeds of the Refunding Bonds in such manner and to such extent, if any, as may be necessary, so that the Refunding Bonds will not constitute arbitrage bonds under Section 148 of the Code and the applicable regulations prescribed under that Section or any predecessor section.

SECTION 16. Legislative Determinations. The Board determines that all acts and conditions necessary to be performed by the Board or to have been met precedent to and in the issuing of the Refunding Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Refunding Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Refunding Bonds. Furthermore, the Board finds and determines pursuant to Section 53552 of the Act that the prudent management of the fiscal affairs of the District requires that it issue the Refunding Bonds without submitting the question of the issuance of the Refunding Bonds to a vote of the qualified electors of the District.

SECTION 17. Official Statement. The Preliminary Official Statement relating to the Refunding Bonds, substantially in the form on file with the Secretary or Clerk to the Board is hereby approved and the Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deliver such Preliminary Official Statement to the Underwriters to be used

in connection with the offering and sale of the Refunding Bonds. The Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deem the Preliminary Official Statement “final” pursuant to 15c2-12 of the Securities Exchange Act of 1934, prior to its distribution and to execute and deliver to the Underwriters a final Official Statement, substantially in the form of the Preliminary Official Statement, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve. The Underwriters are hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Refunding Bonds and are directed to deliver copies of any final Official Statement to the purchasers of the Refunding Bonds. Execution of the Official Statement shall conclusively evidence the District’s approval of the Official Statement.

SECTION 18. Insurance. In the event the District purchases bond insurance for the Refunding Bonds, and to the extent that the Bond Insurer makes payment of the principal or interest on the Refunding Bonds, it shall become the Owner of such Refunding Bonds with the right to payment of principal or interest on the Refunding Bonds, and shall be fully subrogated to all of the Owners’ rights, including the Owners’ rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that were past due interest components, the Paying Agent shall note the Bond Insurer’s rights as subrogee on the registration books for the Refunding Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer for the payment of such interest to the Owners of the Refunding Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Paying Agent shall note the Bond Insurer as subrogee on the registration books for the Refunding Bonds maintained by the Paying Agent upon surrender of the Refunding Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond Insurer.

SECTION 19. Defeasance. All or any portion of the outstanding maturities of the Refunding Bonds may be defeased prior to maturity in the following ways:

(a) Cash: by irrevocably depositing with an independent escrow agent selected by the District an amount of cash which, together with amounts transferred from the Debt Service Fund, if any, is sufficient to pay and discharge all Refunding Bonds outstanding and designated for defeasance (including all principal and interest represented thereby and prepayment premiums, if any) at or before their maturity date; or

(b) Government Obligations: by irrevocably depositing with an independent escrow agent selected by the District noncallable Government Obligations, together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and moneys transferred from the Debt Service Fund, if any, together with the interest to accrue thereon, be fully sufficient to pay and discharge all Refunding Bonds outstanding and designated for defeasance (including all principal and interest represented thereby and prepayment premiums, if any) at or before their maturity date;

then, notwithstanding that any of such Refunding Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such designated outstanding Refunding Bonds shall cease and terminate, except only the obligation of the Paying Agent or an independent escrow agent selected by the District to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) of this Section, to the Owners of such designated Refunding Bonds not so surrendered and paid all sums due with respect thereto.

For purposes of this Section, "Government Obligations" shall mean:

Direct and general obligations of the United States of America, or obligations that are unconditionally guaranteed as to principal and interest by the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute interest strips), or "prerefunded" municipal obligations rated in the highest rating category by Moody's Investors Service or Standard & Poor's. In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed "AAA" by Standard & Poor's or "Aaa" by Moody's Investors Service.

SECTION 20. Other Actions, Determinations and Approvals.

(a) Officers of the Board, District officials and staff are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Refunding Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The Board hereby finds and determines that both the total net interest cost to maturity on the Refunding Bonds plus the principal amount of the Refunding Bonds will be less than the total net interest cost to maturity on the Refunded Bonds plus the principal amount of the Refunded Bonds.

(c) The Board anticipates that the Refunded Bonds will be redeemed on the first optional redemption date of such Refunded Bonds following the issuance of the Refunding Bonds.

(d) The Board hereby appoints The Bank of New York Mellon Trust Company, N.A., as Escrow Agent for the Refunding Bonds and approves the form of the Escrow Agreement substantially in the form on file with the Secretary to or Clerk of the Board. The Authorized Officers, each alone, are hereby authorized to execute the Escrow Agreement with such changes as they shall approve, such approval to be conclusively evidenced by either individual's execution and delivery thereof.

(e) The Board hereby appoints RBC Capital Markets, LLC and E. J. De La Rosa & Co., Inc. as Underwriters, Keygent LLC as Financial Advisor, and Stradling Yocca Carlson & Rauth, a Professional Corporation, as Bond Counsel and Disclosure Counsel, all with respect to the issuance of the Refunding Bonds.

(f) The provisions of this Resolution as they relate to the terms of the Refunding Bonds may be amended by the Purchase Contract and the Official Statement; if the Purchase Contract so provides, the Refunding Bonds may be issued as crossover refunding bonds pursuant to Section 53558(b) of the Government Code.

SECTION 21. Resolution to Counties. The Clerk of this Board is hereby directed to provide a certified copy of this Resolution to the Director of Finance of Santa Clara County and the Treasurer-Tax Collector of Santa Cruz County immediately following its adoption.

SECTION 22. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate executed by the District and dated the date of issuance and delivery of the Refunding Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof. The form of the Continuing Disclosure Certificate, included as Appendix C to the Preliminary Official Statement, is hereby approved. The Authorized Officers, each alone, are hereby authorized to execute and deliver the Continuing Disclosure Certificate, with such changes herein, deletions therefrom, and modifications thereto as the Authorized Officers executing the same may approve. Any Owner 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 Section. Noncompliance with this Section shall not result in acceleration of the Refunding Bonds.

SECTION 23. Recitals. All the recitals in this Resolution above are true and correct and this Board so finds, determines and represents.

SECTION 24. Effective Date. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 7th day of August, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

President, Board of Trustees
West Valley-Mission Community College
District

Attest:

Secretary to Board of Trustees
West Valley-Mission Community College District

SECRETARY'S CERTIFICATE

I, _____, Secretary to the Board of Trustees of the West Valley-Mission Community College District, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Trustees of said District duly and regularly and legally held at the regular meeting place thereof on August 7, 2012, of which meeting all of the members of the Board of said District had due notice and at which a quorum was present.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes.

Said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: _____, 2012

Secretary

APPENDIX A

(Form of Refunding Bond)

REGISTERED
NO.REGISTERED
\$WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
(SANTA CLARA AND SANTA CRUZ COUNTIES, CALIFORNIA)
2012 GENERAL OBLIGATION REFUNDING BONDS

<u>INTEREST RATE:</u> ____% per annum	<u>MATURITY DATE:</u> August 1, ____	<u>DATED AS OF:</u> _____, 2012	<u>CUSIP</u> _____
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REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The West Valley-Mission Community College District (the "District") in Santa Clara and Santa Cruz Counties, California, for value received, promises to pay to the Registered Owner named above, or registered assigns, the Principal Amount on the Maturity Date, each as stated above, and interest thereon until the Principal Amount is paid or provided for at the Interest Rate stated above, on February 1 and August 1 of each year (the "Bond Payment Dates"), commencing February 1, 2013. This bond will bear interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before January 15, 2013, in which event it shall bear interest from the Date of Delivery. Interest on this bond shall be computed on the basis of a 360-day year of twelve 30-day months. Principal and interest are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the Register maintained by The Bank of New York Mellon Trust Company, N.A., as Paying Agent. Principal is payable upon presentation and surrender of this bond at the designated office of the Paying Agent. Interest is payable by check mailed by the Paying Agent on each Bond Payment Date to the Registered Owner of this bond (or one or more predecessor bonds) as shown and at the address appearing on the bond register maintained by the Paying Agent at the close of business on the 15th day of the calendar month next preceding that Bond Payment Date (the "Record Date"). The Owner of Refunding Bonds in the aggregate principal amount of \$1,000,000 or more may request in writing to the Paying Agent that the Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

This bond is one of an authorization of bonds issued by the District pursuant to California Government Code Section 53550 *et seq.* (the "Act") for the purpose of refunding certain of the District's outstanding General Obligation Bonds, Election of 2004, 2006 Series A, and to pay all necessary legal, financial, and contingent costs in connection therewith. The bonds are being issued under authority of and pursuant to the Act, the laws of the State of California, and the resolution of the Board of Trustees of the District adopted on August 7, 2012 (the "Bond Resolution"). This bond and the issue of which this bond is one are general obligation bonds of the District payable as to both Principal and interest solely

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 bonds of this issue comprise \$_____ principal amount of current interest bonds, of which this bond is a part (each a "Refunding Bond").

This bond is exchangeable and transferable for bonds of like tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the designated 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. All fees and costs of transfer 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.

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 business day next preceding either any Bond Payment Date or any date of selection of bonds to be redeemed and ending with the close of business on the Bond Payment Date or 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.

The Refunding Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their fixed maturity dates. The Refunding Bonds maturing on or after August 1, 20__ are subject to redemption on August 1, 20__ or on any date thereafter at the option of the District as a whole or in part at a redemption price equal to the principal amount of the Refunding Bonds called for redemption, plus interest accrued thereon to the date fixed for redemption, without premium.

The Refunding Bonds maturing on August 1, 20__ are subject to mandatory sinking fund redemption on August 1 of each year on and after August 1, 20__, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amounts represented by such Refunding Bonds to be so redeemed and the dates therefore and the final payment date is as indicated in the following table:

<u>Redemption Dates</u>	<u>Principal Amounts</u>
TOTAL	\$

The principal amount to be redeemed in each year shown above will be reduced proportionately or as otherwise directed by the District, in integral multiples of \$5,000, by any portion of the Refunding Term Bond optionally redeemed prior to the mandatory sinking fund redemption date.

If less than all of the bonds of any one maturity shall be called for redemption, the particular bonds or portions of bonds of such maturity to be redeemed shall be selected by the Paying Agent in such manner as the District may direct, and if not so directed, by lot by the Paying Agent in such a manner as the Paying Agent, in its discretion, may determine; provided, however, that the portion of any bond to be

redeemed shall be in the principal amount of \$5,000 or some multiple thereof. If less than all of the bonds stated to mature on different dates shall be called for redemption, the particular bonds or portions thereof to be redeemed shall be called in any order of maturity selected by the District or, if not so selected, in the inverse order of maturity.

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 Registered Owner of this bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and 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.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

[REMAINDER OF PAGE LEFT BLANK]

IN WITNESS WHEREOF, the West Valley-Mission Community College District, 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 Board of Trustees of the District, and to be countersigned by the manual or facsimile signature of the Secretary of the Board of Trustees, all as of the date stated above.

WEST VALLEY-MISSION COMMUNITY COLLEGE
DISTRICT

By: _____ (Facsimile Signature)
President, Board of Trustees

COUNTERSIGNED:

(Facsimile Signature)
Secretary, Board of Trustees

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the Bond Resolution referred to herein which has been authenticated and registered on _____, 2012.

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

By: _____
Authorized Officer

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and zip code of Transferee): _____ this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the within bond in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

Unless this bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

LEGAL OPINION

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation in connection with the issuance of, and dated as of the date of the original delivery of, the bonds. A signed copy is on file in my office.

By: _____ (Facsimile Signature)
Secretary to Board of Trustees

(Form of Legal Opinion)