



ADOPTED MINUTES

FOR THE REGULAR MEETING OF THE IMPERIAL COMMUNITY COLLEGE DISTRICT BOARD OF TRUSTEES

Wednesday, October 10, 2007

CALL TO ORDER/ROLL CALL

On Wednesday, October 10, 2007, at 6:02 p.m., Board President Romualdo Medina called the regular meeting of the Imperial Community College District Board of Trustees to order in the Administration Building Board Room.

BOARD MEMBERS PRESENT:

Carlos R. Acuña [6:08 p.m.]
Norma Sierra Galindo
Marian Long
Romualdo Medina
Rebecca L. Ramirez
Louis Wong

BOARD MEMBERS ABSENT:

Rudy Cardenas, Jr.

REPRESENTATIVES PRESENT:

Dr. Bruce Seivertson, Academic Senate
David Lopez, Student Representative
Suzanne Gretz, CTA Representative

CONSULTANTS PRESENT:

Dr. Victor Jaime, Vice President for Student Services
Kathy Berry, Vice President for Academic Services
John Lau, Vice President for Business Services
Travis Gregory, Associate Dean of Human Resources
Frank Oswald, Counsel [6:25 p.m.]

PLEDGE OF ALLEGIANCE

Trustee Ramirez led the Pledge of Allegiance to the Flag.

PUBLIC COMMENT

IVC Foundation Representative Frank Salazar spoke and read a letter from the IVC Foundation President which indicated the Foundation's interest to have a foundation member on the Presidential Search Committee.

Board President Medina stated that the Board had acted on the number of committee members and had already given direction for the search. He stated that perhaps in the future a search policy could be created to determine the members to serve on the committee. He stated that IVC hired a search consultant for the presidential search and the consultant's recommendation would be not to add any additional members to the committee as it would be more disruptive and it would open the opportunity for other public agencies, community service groups, and special interest groups to ask to be part of the process.

Frank Salazar asked if a resolution could be added to the agenda and be considered tonight.

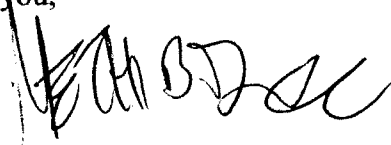
September 7, 2007

Imperial Valley College
Board of Supervisors and President
380 Aten Road
Imperial, CA 92251

To Whom It May Concern:

This letter is to inform you of my resignation. I am giving you a one month notice of my vacancy of my Full-time Tenure Track position as an Emergency Medical Technician Instructor. I am willing to assist with the transition of my replacement during this time. It is with great regret that I will be leaving as well as excitement to move on in my career. I have been a member of this campus for approximately 15 years, either as a student or faculty member. My future has been established by the opportunity afforded me on this campus.

Thank you,

A handwritten signature in black ink, appearing to read 'Mariaelena Thibodeaux', written over a vertical line.

Mariaelena Thibodeaux, RN, BS NREMT-P, FFII
Associate Professor

MEMORANDUM OF UNDERSTANDING


This Memorandum Of Understanding is entered into between the Imperial Community College District (District) and the Imperial Valley College Chapter of the Community College Association/California Teachers Association/National Education Association (Association)

WHEREAS, due to an omission in the 2007-2010 Contract Agreement, the District and CTA now wish to include two additional approved positions to be eligible to receive appropriate release time for the life of the contract.

NOW, THEREFORE, it is agreed to provide said weekly reassigned time per semester to the following positions:

- | | |
|--|---------|
| 1. Academic Senate Secretary | 3 units |
| 2. Industrial Technologies Coordinator | 4 units |

IMPERIAL COMMUNITY COLLEGE DISTRICT

By 
Travis Gregory
Associate Dean of Human Resources

Date: 10/2/07

IMPERIAL VALLEY CHAPTER OF CCA/CTA/NEA

By 
Suzanne Gretz
President

Date: 10/2/07

Trustee Galindo asked if the committee had met. She stated she has a problem with the consultant stating that it would be disruptive. She stated the IVC Foundation is not a special interest group and is closely affiliated with the college. She stated if other special interest groups would like to participate then they should request to be added.

Vice President for Academic Services/Presidential Search Committee Chair Kathy Berry stated that the screening process would be done by the next Board meeting. She stated their first meeting would take place on October 26, 2007.

Board President Medina explained there is some language in the Brown Act that might allow action tonight. He reserved the right to go back to public comment if necessary as he would wait for legal counsel to arrive for interpretation.

[Legal Counsel arrived at 6:25 p.m.]

Board President Medina recapped the discussion related to the Foundation's request.

Legal Counsel Frank Oswalt stated the request for the Brown Act is that it be an emergency. He advised the Board not to proceed and stated the subject matter should be properly added to the agenda.

Frank Salazar asked that the Board consider a special meeting for the request. The Trustees responded to the special board meeting request as follows:

- Trustee Galindo stated she was in favor.
- Trustee Wong stated he was in favor.
- Trustee Long stated she was not in favor.
- Trustee Ramirez stated she was in favor and stated that consideration should be given to the items discussed as each meeting costs the district money.
- Trustee Medina stated he has valued the Foundation and did not feel that an additional member was necessary; however, he would be in favor of holding a special board meeting.
- Trustee Acuña stated he was not in favor of holding a special board meeting.

Trustee Galindo commented that the reciprocity of what the students gain is much greater than the time and money spent at special board meetings.

Trustee Ramirez stated that everyone has their opinion.

Interim Superintendent/President Rodgers stated the current membership of the committee was approved by the Board.

There was discussion as to the date for the special board meeting. Interim Superintendent/President Rodgers asked Trustees to review their calendars and call the President's Office with their availability for a meeting.

WRITTEN COMMUNICATIONS

Board President Medina announced that the Board received two written communications.

INFORMATION REPORTS

Employee of the Month Presentation

Vice President for Student Services Dr. Victor Jaime congratulated Administrative Secretary Grace Espinoza on being the September 2007 Employee of the Month. He stated that he has known Grace for many years and has known her since she started out as a work study student. He stated she is helpful and caring and was pleased to learn she was selected as the employee of the month. He read some excerpts of the nominations she received.

Interim Superintendent/President Gary Rodgers stated he has known Grace for years and knows her to be a good person and well deserving of the recognition.

Board President Medina presented Grace with a certificate.

Board Member Reports

Trustee Long reported the following:

- Attended the Board Alliance meeting of October 8th.
- November 15th is the deadline for fundraising. The IVC campaign to raise \$19,000 for the Community College Initiative has not gone well as it has not raised funds. She stated 38 colleges had not raised any funds and IVC was on that list.
- Stated the legislative focus for 2008 consisted of 10 items which included textbook containment and advocacy for basic skills amongst other items.
- Announced that Beyond the Open Door! Leveraging Institutional Change Through State Policy Reform policy seminar presented by Community College Leadership Development Initiatives (CCLDI) would take place on Friday, November 2nd at UCSD. She stated the keynote speaker would be Dr. Nancy Shulock, Professor and Executive Director for the Institute for Higher Education Leadership and Policy for California State University Sacramento.
- Passed out the SDICCCA 'At a Glance' report and she stated the report gives a breakdown of ethnicities and the collective student information from San Diego and Imperial counties.

Trustee Galindo reported the following:

- It was disheartening to see that trustees are not attending the visioning community meetings. She stated she understood there were some scheduling conflicts but felt that as respect for their constituencies and involvement, they should all attend these meetings.
- Trustee Long's comments on legislation were addressed at the Niland Visioning meeting. She stated that perhaps IVC is not offering the courses and certificate programs in a realistic manner as IVC is losing more than half of the north end population to College of the Desert (COD). She stated one of the comments from the Niland public was that it was easier to get into the nursing program at COD. She told the Niland focus attendees that the reason why COD's nursing program is more accessible is because it is considerably larger than IVCs.
- The El Centro Visioning meeting was dynamic. She stated there are several other meetings to attend and regretted not attending the San Pasqual Visioning meeting. She stated San Pasqual's needs are quite different. She stated there is a lot of information from vested community individuals that we need to listen to. She stated she was unable to attend San Pasqual's meeting but had spoken to members of that community and thought that perhaps Trustee Ramirez would be reporting on that focus group.

- With regards to SDICCCA, she commented on the ethnicity information from SDICCCA's At A Glance report and stated that the ethnic representation was not accurate because Imperial County's population is not 28% Hispanic. She stated she feels reservation about SDICCCA feeling so "warm and fuzzy" about SDICCCA since they represent San Diego and not Imperial County.

Associated Student Government Update

ASG President David Lopez reported the following:

- The 2007 Fall Health Fair took place October 9th and 10th from 8:30 a.m. – 11:30 a.m. He reported there were 180 participants. He stated ASG provided a BBQ for the participants of the health fair as well as some raffle prizes to keep students involved and interested in the fair.
- He would be attending the California Community Colleges Student Affairs Association (CCCSAA) Conference in Sacramento on October 19th through the 21st.

Academic Senate Update

Dr. Bruce Seivertson reported the following:

- The focus of the last Academic Senate meeting was on the proposed budget.
- Announced he would be attending the District D regional meetings on October 20th.
- Announced he would be attending the fall plenary scheduled for November 1st, 2nd, and 3rd. He stated he would report more on this matter at the next meeting.

Monthly Financial Report

Vice President for Business Services John Lau reported the following:

- The bond consultant was present for any questions related to the resolution under business.
- A construction project overview would be coming to the Board.

President's Update

Interim Superintendent/President Gary Rodgers reported the following:

- The Accreditation Team pre-visit took place Friday, September 28th. He stated the visit went well and logistics were discussed.
- He asked the Trustees to calendar two dates: Tuesday, October 23rd at 8:15 a.m. for the accreditation welcome reception and on Thursday, October 25th at 1:30 p.m. for the exit report.
- The emergency drill is scheduled for October 25, 2007. He stated this yearly drill is a medical disaster exercise. He stated EMS Instructor Jacki Cypher would lead the drill and students would volunteer with the emergency drill based on the pandemic flu.
- The emergency preparedness plan for IVC is under review since the Virginia Tech shooting. He stated that administrative staff members have discussed the needed detail in the plan.

Associate Dean of Admissions and Records Kathie Westerfield stated we need an expert in the area of emergency preparedness. Associate Dean of Student Affairs Sergio Lopez recommended an individual to prepare a campus safety discussion and has agreed to come to the campus soon. The consultant would have specific responsibilities and his cost will be \$2,500.

Trustee Galindo stated the State Attorney General's Office has excellent resources that would be available to the campus for no cost. She asked that Interim Superintendent/President Gary Rodgers contact them to receive more information.

- Attended almost all of the Visioning meetings. He stated that there are common threads between them related to concerns with the college. He stated that he felt 95% of the concerns are done because IVC has not been marketed well. He stated he was most concerned with community leaders that were unaware of IVC's programs. He stated he would work with Administrative Council to discuss marketing strategies.
- The outcome of the focus groups thus far has gone well and stated the majority of issues that were brought up in 2004 have not been prevalent.
- The 2007 Career Fair/College & University Day attracted over 800 students, 140 representatives, and 30 different recruiters from other colleges and universities. He received positive feedback from different areas.
- The presidential search process is going well and stated 17 applications had been received. He stated the first committee meeting would be held on Friday, October 26th. He reported the first interviews would be held November 13th and recommendations to the Board would be announced at the November 21st meeting. The forum is tentatively scheduled for Monday, November 26th and the second round of interviews would be held the same week. Tentatively, visitations to finalists' colleges would take place the week of December 10th.

Associate Dean of Human Resources Travis Gregory stated the initial screening will take place October 26th; however, the application deadline is October 24th.

- The new website has had some technical difficulties and the switch has been postponed until after December 10th when finals are done. He stated that personnel would continue to work out the glitches.
- He asked Associate Dean for Records and Admissions to present statistics for the fall semester.

Kathie Westerfield spoke and passed out the current statistics for the fall semester 2007. She stated September 4th was census day. She explained the report did not include short term classes nor positive attendance classes from non credit. She stated actual hours of attendance could not be calculated until the semester is over. She stated this fall there are 8,523 headcount, an increase of 5.04% and FTES are 2,899, an increase of 3.42% from last year. She compared the last two years and noted IVC continues to grow.

Trustee Long asked if there would be 100 FTES for non credit.

Dean of Extended Campus Efrain Silva stated that it would be close to that number.

Academic Senate President Dr. Bruce Seivertson commented that MySpace and YouTube went \$600 plus a share and contributed their success to advertising online. He stated that the advertisement is done through Google ads and stated it would be a good way to advertise IVC.

[Legal Counsel arrived and for purposes of keeping an order of minutes, the continuance of the discussion will be placed under public comment.]

Bond Construction Updates Presentation

Vice President for Business Services John Lau stated there was not enough detail in managing the project. He stated the first conceptual budget was good in concept but stated a good management document was needed. He stated the Bond Oversight Committee developed a more succinct project. He reviewed the Budget Overview with the Board.

He stated some classrooms are being used to transition into the new building and have lease payments which were being paid by the bond which would be released to the general fund for payment.

He explained the total bond was for \$58 million and the actual cost is \$63,173,395.40. He stated there is a shortage. He anticipated a revisit in January to keep everyone up to date. He stated that a monitoring document in a global overview sense is good and he would bring it to the Board as changes are done.

Trustee Acuña asked where the additional \$5 million would be coming from. VP Lau stated that after the budget review he would determine where the monies would come from.

Board President Medina stated that construction costs increase each year and understood that a final figure would not be available until all of the construction is complete.

VP Lau commended faculty for agreeing to a smaller vocational technical building and stated it would be complete with the first building.

Trustee Galindo stated that war drives the cost of construction.

Trustee Galindo stated that the worse scenario would be that the second project does not get done and we reapply. She stated that the cost may not be calculated correctly. She stated that the \$10,000 that are paid monthly to a consultant that helped us receive \$11 million from the state seems to cost the District quite a bit. She stated she is not in favor of using consultants and lobbyists and asked if this could be done in house.

VP Lau stated that consultants are competitive and helpful. He stated it was a good deal to pay \$50,000 since the District received \$14 million.

Trustee Galindo suggested SDICCCA advocate for us.

Trustee Ramirez thanked VP Lau for the format in which it was presented. VP Lau stated he works with a great group of people in the management of the construction projects.

DISCUSSION

2007-2008 District Budget

Vice President for Business Services John Lau presented the budget.

He noted some of the important factors were an employee contract that had not been finalized and leveraging operational monies.

He stated Director of Fiscal Services Carlos Fletes would go over changes since last June. Director Fletes spoke and stated that the letter of transmittal in their packages explains the changes well.

Some of the highlights included:

- Net increase of \$196,311.
- Portable buildings leasing costs which were previously paid from GOB funds in the amount of \$63,000
- Summer and winter faculty pay rate increase of \$180,700
- Adjustment of faculty overload and adjunct budget of \$1,126,507
- Payment of Lease Revenue Bonds and COP's in the amount of \$700,000 which were previously paid by GOB funds
- Golden Handshake, 2+2 STRS and SERP retirement incentives in the amount of \$112,000

Trustee Long asked if GASB should be listed as a cost. Director Fletes stated the last section of the letter indicated the District's comfortable reserve and some of the planning that will take place which includes GASB 45 funding.

Trustee Galindo asked for the reserve amount. Director Fletes stated the college ended with a 27% reserve in 2006-2007 and stated it is currently at a 15% reserve level.

Trustee Ramirez thanked Director Fletes and stated it was in line with the Board Retreat discussion and information.

VP Lau stated that GASB 45 must be funded; however, GASB 45 does not set a specific amount. He stated GASB 45 will be a discussion topic for future meetings.

VP Lau stated that a bad debt expense should be recognized with regards to \$1.3 million in accounts receivable. He stated the amount of bad debt expense to be recognized in this year's budget is \$100,000 and will likely be a similar amount over the next three years. He stated the \$1.3 million consists of various fees charged to students, primarily enrollment fees.

Trustee Galindo asked if forgiveness of debt had been cleared, to which VP Lau responded that the District is recognizing the bad debt expense in its books but no direct write-off of individual student accounts will be made.

Trustee Acuña asked for statistical data. VP Lau stated he would do reports to show an aging of accounts receivable.

Trustee Acuña stated his understanding was that the business office figured the budget allowances and those allowances had been provided in the budget. VP Lau stated that they had not been presented in that manner.

There was discussion regarding the reserve amount. VP Lau stated the District's reserve should not be less than 6%. He stated there are many items to consider such as a labor contract to negotiate, issues with security, disaster planning, GASB 45, and deferred maintenance items. He stated he wanted the Board to be aware that a plan outlining these issues would be developed.

Board President Medina noticed that the major changes are due in part to salaries.

Yearly Self-Evaluation for Board of Trustees

Gary Rodgers asked each Board member to complete and submit their annual Board Self-Evaluation. He stated that the information would be tallied and compiled for discussion at the next Board meeting.

CONSENT AGENDA – BUSINESS

Trustee Galindo pulled item 2 (minutes).
Trustee Acuña pulled Resolution 13962.
Trustee Ramirez pulled Resolution 13961.

Approval of Minutes dated September 12, 2007, Regular Board Meeting M/S/C Ramirez/Acuña and the Board approved the minutes as presented.

**Approval of Minutes dated September 18, 2007, Special Board Meeting
M/S/C Galindo/Wong and the Board approved the minutes with the corrections presented.**
Motion by Trustee Galindo to approve the minutes with corrections. Second by Trustee Wong.

Discussion

Trustee Galindo asked for the following statement to be replaced on Page 3 of the minutes, first paragraph,

“Trustee Galindo noted, for the record, that she is not opposed to a public forum. She is not opposed to an event or activity for the community to meet and mingle with the candidates, however, a candidate’s forum is tantamount to a political debate. She further stated that the job of selecting the college president is not done by hosting a political event, but instead, it should be done by the Board.”

The motion passed.

M/S/C Ramirez/Acuña

Resolution No. 13956: Purchase Orders

BE IT RESOLVED that the Board approves the recommendation of the Superintendent/President to approve the issuance of Purchase Orders in the amount of \$1,371,286.23 and Direct Payments in the amount of \$90,478.48 for the month of September, 2007.

M/S/C Ramirez/Acuña
Resolution No. 13957: Payroll Warrant Orders

BE IT RESOLVED that the Board approves the recommendation of the Interim Superintendent/President to approve the following Payroll Warrants for the month of September 2007:

2007-08 Payroll Warrant	#	Fund 10 General Fund	Fund 45 Child Development	Fund 80 Bond Fund	Warrant Total
9/10/2007	5	113,235.74	457.23		113,692.97
9/28/2007	6	2,560,290.86	28,890.80	9471.82	2,598,653.48
		2,673,526.60	29,348.03	9,471.82	2,712,346.45

M/S/C Ramirez/Acuña
Resolution No. 13958: Commercial Warrant Orders

BE IT RESOLVED that the Board approves the recommendation of the Interim Superintendent/President to approve the following Commercial Warrant Orders for the month of September 2007:

2007-08 Commercial Warrant	#	Fund 10 General Fund	Financial Aid Disbursement	Fund 20 Building Fund	Fund 45 Child Development	Fund 80 Bond Fund	Warrant Total
9/6/07	10	58,204.54			500.00	335,579.98	394,284.52
9/13/07	11	439,377.42		10,000.00		5,366.63	454,744.05
9/20/07	12	100,824.61	1,572,701.19				1,673,525.80
9/27/07	13	641,789.36		10,000.00	326.09	408,311.76	1,060,427.21
		1,240,195.93	1,572,701.19	20,000.00	826.09	749,258.37	3,582,981.58

M/S/C Ramirez/Acuña
Resolution No. 13959: Quarterly Financial Report

BE IT RESOLVED that the Board of Trustees accepts the Quarterly Financial Status Report (CCFS 311Q) for the quarter ending June 30, 2007, and directs that it be filed with the Chancellor's Office of the California Community Colleges.

M/S/C Ramirez/Acuña
Resolution No. 13960: Adoption of the 2007-2008 District Budget

BE IT RESOLVED that the Budget for the 2007-2008 academic year be adopted and filed with the California Community Colleges Chancellor's Office.

M/S/C Ramirez/Wong

Resolution No. 13961: Imperial Community College District Providing for the Issuance and Sale of General Obligation Bonds, Election of 2004, Series 2007 C in the Aggregate Principal Amount of Not to Exceed Fourteen Million Dollars (\$14,000,000)

Motion by Trustee Ramirez to approve the resolution. Second by Trustee Wong.

Discussion

Financial Advisor Leonard Cuenco from Flores Winters spoke and gave a brief discussion regarding the series of bonds. He stated there are \$33.7 million of outstanding bond sales and explained that this resolution would allow for the sale of \$11,300,000 remaining bonds. He stated that properties have increased in value by 17% instead of the projected 4%. He stated that meant the bonds could be paid off earlier. He stated the funds would be transferred by November 8, 2007.

The motion passed.

Resolution

WHEREAS, a special bond election was duly and regularly held in the Imperial Community College District (the "District") on November 2, 2004, under the procedures specified in Proposition 39 (Article XIII A Section 1 paragraph (b) of the California Constitution) for the purpose of submitting a measure to the qualified electors of the District authorizing the issuance of general obligation bonds of the District in the maximum aggregate principal amount of \$58,600,000 (the "Bonds"), and more than 55% of the votes cast at said election were in favor of the issuance of the Bonds; and

WHEREAS, the Board of Trustees has previously issued two series of the Bonds in the aggregate principal amounts of \$24,500,000 and \$13,285,473.05, respectively; and

WHEREAS, the Board of Trustees of the District wishes at this time to institute proceedings for the sale of a third series of Bonds in the aggregate principal amount of not to exceed \$14,000,000 (the "Series 2007 C Bonds"), and the District will be permitted to issue such Bonds directly on its own behalf because the most recent interim report for the District was not qualified, and that the Board of Supervisors of the County has adopted its resolution authorizing the District to issue its bonds directly under the provisions of the Education Code of the State of California, commencing with Section 15264 of the Education Code (the "Bond Law");

NOW, THEREFORE, the Board of Trustees of the District hereby finds, determines, declares and resolves as follows:

**ARTICLE I
DEFINITIONS; AUTHORITY**

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

"Accreted Interest" means, with respect to any Capital Appreciation Bond, Accreted Value as of the date of its calculation, less the original principal amount of such Capital Appreciation Bond.

"Accreted Value" means (a) on any Compounding Date, the amount set forth opposite such Compounding Date on the Table of Accreted Values which is included in Exhibit A hereto as part of

the form of Capital Appreciation Bond, (b) on any date between the Closing Date and the first Compounding Date, the amount determined on the basis of straight-line interpolation between the Closing Date and such Compounding Date (based on a 360-day year and twelve 30-day months), and (c) on any date which is between two Compounding Dates (based on a 360-day year and twelve 30-day months), the amount determined on the basis of straight-line interpolation between such date and such Compounding Date.

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

“**Authorized Investments**” means any investments permitted by law to be made with moneys belonging to, or in the custody of, the District, including, but not limited to, the Imperial County Investment Pool, the Local Agency Investment Fund in the California State Treasury and investment agreements, including guaranteed investment contracts, with a financial entity whose long-term debt is rated by Moody’s Investors Service and Standard & Poor’s Rating Services, A Division of the McGraw-Hill Companies (“Standard & Poor’s Rating Services”) no lower than the rating on the Bonds, and whose short-term debt is rated no lower than the corresponding level of rating category for such debt. Any such investment agreement shall provide that the financial entity shall deposit collateral with a third party in accordance with criteria established by Moody’s Investors Service and Standard & Poor’s Rating Services in the event that the rating of short- or long-term debt of the financial entity is downgraded below then-current requirements of Moody’s Investors Service and Standard & Poor’s Rating Services for such investment agreements.

“**Board**” means the Board of Trustees of the Imperial Community College District, Imperial County, California.

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

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

“**Bond Payment Date**” means, unless otherwise specified in the Notice of Sale, February 1 and August 1 of each year, commencing August 1, 2008 with respect to interest on the Current Interest Bonds and August 1 of each year commencing August 1, 2008, with respect to the principal payments on the Current Interest Bonds, and, with respect to the Capital Appreciation Bonds, the stated maturity dates thereof, as applicable.

“**Bonds**” or “**Series 2007 C Bonds**” means the Current Interest Bonds and the Capital Appreciation Bonds at any time Outstanding pursuant to this Resolution.

“**Building Fund**” means the fund established pursuant to Section 3.04.

“**Capital Appreciation Bond**” means Series 2007 C Bonds, the interest component of which is compounded semiannually on each Compounding Date to maturity as shown in the table of Accreted Value for such Series 2007 C Bonds in the Official Statement. “Capital Appreciation Term Bonds” means those Capital Appreciation Bonds for which mandatory redemption dates have been established in Section 2.03, if any.

“**Closing Date**” means the date upon which there is an exchange of Bonds for the proceeds representing the purchase price of the Bonds by the Original Purchaser.

“Compounding Date” means, unless otherwise specified in the Notice of Sale, with respect to any Capital Appreciation Bond, February 1, 2008 and each August 1 and February 1 thereafter, to and including the date of maturity of such Capital Appreciation Bond.

“County” means the County of Imperial, California.

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

“Current Interest Bonds” means the Series 2007 C Bonds, the interest on which is payable on each Bond Payment Date specified for each such Series 2007 C Bond, as designated and maturing in the years and in the amounts set forth in the Notice of Sale. “Current Interest Term Bonds” means those Current Interest Bonds for which mandatory redemption dates have been established pursuant to Section 2.03.

“Debt Service” means the scheduled amount of interest and amortization of principal on Current Interest Bonds, and Accreted Value or Maturity Value on the Capital Appreciation Bonds, in both cases payable on the Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

“Debt Service Fund” means the fund established and held by the County Office of Education for the District under Section 3.06.

“Denominational Amount” means, with respect to any Capital Appreciation Bond, the initial purchase price thereof, and with respect to any Current Interest Bond, the principal amount thereof.

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

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

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

“District” means the Imperial Community College District and any successor thereto.

“District Representative” means the Superintendent, the Vice-President/Chief Financial Officer, the Clerk of the Board, or any other duly appointed officer of the District authorized by resolution of the Board to act as a representative of the District hereunder.

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

“Information Services” means Financial Information, Inc.'s Financial Daily Called Bond Service; Interactive Data Corporation's Bond Service; Kenny Information Service's Called Bond Service; Moody's Municipal and Government; or Standard & Poor's Called Bond Record.

“Issuance Expenses” means all items of expense directly or indirectly reimbursable to the District relating to the issuance, execution and delivery of the Bonds including, but not limited to, filing and recording costs, settlement costs, printing costs, reproduction and binding costs, legal fees and charges, fees and expenses of the Paying Agent, financial and other professional consultant fees, costs of obtaining credit ratings, municipal bond insurance premiums, fees for execution, transportation and safekeeping of the Bonds and charges and fees in connection with the foregoing.

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

“Notice of Sale” means the Notice of Sale pursuant to which the Bonds will be sold pursuant to competitive bidding, subject to the conditions contained in Section 4.01 hereof.

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

“Original Purchaser” means the first purchaser or purchasers of the Series 2007 C Bonds pursuant to the Notice of Sale.

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

- (a) Bonds theretofore canceled by the Paying Agent or surrendered to the Paying Agent for cancellation;
- (b) Bonds paid or deemed to have been paid within the meaning of Section 9.02 hereof; and
- (c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the District pursuant to the Resolution.

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

“Paying Agent” means the Paying Agent appointed by the District and acting as paying agent, registrar and authenticating agent for the Bonds, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 6.01.

“Principal Office” means the principal corporate trust office of the Paying Agent.

“Proceeds Account” means the account by that name established pursuant to Section 3.03.

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

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

“Securities Depositories” means The Depository Trust Company, 711 Steward Avenue, Garden City, New York 11530, Facsimile transmission: (516) 227-4039, (516) 227-4190; Midwest Securities Trust Company, Capital Structure-Call Notification, 440 South La Salle Street, Chicago, Illinois 60605, Facsimile transmission: (312) 663-2343; and Philadelphia Depository Trust Company, Reorganization Division, 1900 Market Street, Philadelphia, Pennsylvania 19103, Facsimile transmission: (215) 496-5058.

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

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

“Term Bonds” or “Series 2007 C Term Bonds” means the Bonds designated as Term Bonds in the Notice of Sale and subject to mandatory sinking fund redemption as provided in the Notice of Sale.

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

ARTICLE II THE BONDS

Section 2.01. Authorization. The Bonds, comprised of Current Interest Bonds and Capital Appreciation Bonds, are hereby authorized to be issued by the District under and subject to the terms of the Bond Law and this Resolution; provided, that the aggregate principal amount of the Current Interest Bonds and the Capital Appreciation Bonds shall not exceed \$14,000,000. This Resolution constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal of and the interest on all Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The Bonds shall be designated the “Imperial Community College District General Obligation Bonds, Election of 2004, Series 2007 C”.

Section 2.02. Terms of Bonds.

(a) **Form; Numbering.** The Bonds shall be issued as fully registered Bonds, without coupons. Bonds shall be lettered and numbered as the Paying Agent shall prescribe. The Current Interest Bonds shall be issued in the denomination of \$5,000 each or any integral multiple thereof, but in an amount not to exceed the aggregate principal amount of Current Interest Bonds maturing in the year of maturity of the Current Interest Bond for which the denomination is specified. The Capital Appreciation Bonds shall be issued in the Maturity Value of \$5,000 each or any integral multiple thereof, but in an amount not to exceed the aggregate Maturity Value of Capital Appreciation Bonds maturing in the year of maturity for the Capital Appreciation Bonds for which the denomination is specified.

(b) **Date of Bonds.** The Series 2007 C Bonds shall be dated the Closing Date, or such other date as shall be specified in the Notice of Sale.

(c) **CUSIP Identification Numbers.** “CUSIP” identification numbers shall be imprinted on the Bonds, but such numbers shall not constitute a part of the contract evidenced by the Bonds and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for the Series 2007 C Bonds. In addition, failure on the part of the District to use such CUSIP numbers in any notice to Owners of the Series 2007 C Bonds shall not constitute an event of default or any violation of the District’s contract with such Owners and shall not impair the effectiveness of any such notice.

(d) **Maturities; Interest.** The Series 2007 C Bonds shall mature on August 1 in the years and amounts set forth in the Notice of Sale.

The Maturity Value of any Capital Appreciation Bond shall be payable only upon the maturity of such Capital Appreciation Bond. The total amount of principal of and interest payable on the Capital Appreciation Bonds as of any date other than its maturity date shall be the Accreted Value thereof determined as of such date.

The Current Interest Bonds shall bear interest at such rate as shall be determined upon the sale thereof in accordance with Section 4.01 hereof, payable semi-annually on each Bond Payment Date, commencing August 1, 2008, or such other date specified in the Notice of Sale.

The Capital Appreciation Bonds shall accrete interest at such rate or rates as shall be determined upon the sale thereof in accordance with Section 4.01 hereof.

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

Interest on the Series 2007 C Bonds shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

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

The interest portion of the Accreted Value of any Capital Appreciation Bond which is payable on the date of maturity shall represent interest accrued and coming due on such date. The Accreted Value of any Capital Appreciation Bond at maturity shall be payable, except as provided below, by check mailed by first-class mail, in lawful money of the United States of America upon presentation and surrender of such Bond at the Principal Office of the Paying Agent.

Section 2.03. Redemption. The Series 2007 C Bonds, including any Series 2007 C Term Bonds, will be subject to redemption as provided in the Notice of Sale.

Whenever less than all of the outstanding Series 2007 C Bonds are to be redeemed, the Paying Agent shall select the Series 2007 C Bonds to be redeemed in any order as directed by the District, or if no District direction is given, within a maturity the Paying Agent shall select Series 2007 C Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Series 2007 C Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof. The Paying Agent shall promptly notify the District of the Series 2007 C Bonds so selected for redemption on such date.

The Paying Agent shall give notice of the redemption of the Bonds at the expense of the District. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed, (b) the numbers and CUSIP numbers of the Bonds to be redeemed, (c) the date of notice and the date of redemption, (d) the place or places where the Bonds must be submitted for redemption, descriptive information about the Bonds, including the dated date, interest rate and stated maturity date. Such notice shall further state that on the specified date there shall become due and payable upon each Bond to be redeemed, the portion of the principal amount or Maturity Value of such Bond to be redeemed, together with interest accrued or accreted to said date, and redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue or accrete and be payable.

Notice of redemption shall be by first class mail, postage prepaid, to the original purchaser of the Bonds, to a Securities Depository and to an Information Service that disseminates securities redemption notices, and to the District and to the County, and by registered or certified mail or personal delivery to the respective Owners of any Bonds designated for redemption at their addresses appearing on the Bond Register of the Paying Agent, in every case at least 30 days, but not more than 60 days, prior to the redemption date; provided that neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds.

SECTION 2.04. Book-Entry System.

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

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

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

addition to the execution and delivery of such letter, the District may take any other actions, not inconsistent with this Resolution, to qualify the Bonds for the Depository's book-entry program.

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

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

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

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

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

Section 2.07. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 2.09 hereof, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the Principal Office at the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. The Paying Agent shall

require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

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

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

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

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

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

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

Section 2.11. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated the District, at the expense of the Owner of said Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like maturity and principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Paying Agent of the Bond so mutilated. Every mutilated Bond so surrendered to the Paying Agent shall be canceled by it and delivered to, or upon the order of, the District. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the District and, if such evidence be satisfactory to the District and indemnity satisfactory to it shall be given, the District, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like maturity and principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. The District may require payment of a sum not exceeding the actual cost of preparing each new Bond issued under this Section and of the expenses which may be incurred by the District and the Paying Agent in the premises. Any Bond issued under the provisions of this Section 2.11 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the District whether or not the Bond so alleged to be lost, destroyed or stolen be at any

time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Resolution with all other Bonds issued pursuant to this Resolution.

ARTICLE III
ISSUE OF BONDS; APPLICATION OF BOND PROCEEDS; SECURITY FOR THE BONDS; DEBT SERVICE FUND

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

Section 3.02. Application of Proceeds of Sale of Bonds. The Paying Agent shall deposit the proceeds of sale of the 2007 C Bonds received by it (including any good faith deposits upon the public sale thereof) in the Proceeds Account established pursuant to Section 3.03, to be applied on the Closing Date as follows:

- (a) The Paying Agent shall withdraw from the Proceeds Account and transfer to the County for deposit in the Debt Service Fund established pursuant to Section 3.06 an amount equal to the premium (if any) received on the sale of the 2007 C Bonds.
- (b) The Paying Agent shall retain in the Proceeds Account an amount set forth in a Written Request of the District filed with the Paying Agent as of the Closing Date, which amount is equal to the estimated Costs of Issuance.
- (c) The Paying Agent shall transfer the remainder of such proceeds to the Tax Collector-Treasurer of the County on behalf of the District, for deposit in the Building Fund established pursuant to Section 3.04.

Section 3.03. Proceeds Account. There is hereby created the "2007 C Bonds Bond Proceeds Account", which shall be held and maintained by the Paying Agent as a separate account, distinct from all other funds of the District, into which shall be deposited the proceeds of sale of the 2007 C Bonds under Section 3.02. Amounts remaining on deposit in the Proceeds Account under Section 3.02(b) shall be disbursed for the purpose of paying the Costs of Issuance upon the receipt by the Paying Agent of Written Requests of the District. On the date which is four months after the Closing Date, the Paying Agent shall withdraw all amounts remaining on deposit in the Proceeds Account and transfer such amounts to the County for deposit in the Building Fund.

Section 3.04. Building Fund. The District hereby directs the Tax Collector-Treasurer of the County to establish, hold and maintain a fund to be known as the "2007 C Bonds Imperial Community College District Building Fund", which the County shall maintain as a separate account, distinct from all other funds of the County and the District. The proceeds from the sale of the 2007 C Bonds, to the extent required under Section 3.02(c), shall be transferred to the County on behalf of the District to be credited to the Building Fund, to be expended by the District solely for the acquisition or improvement of real property for which the 2007 Bond proceeds are authorized to be expended pursuant to the Bond Proposition. All interest and other gain arising from the investment of amounts deposited to the Building Fund shall be retained in the Building Fund and used for the purposes thereof. At the Written Request of the District filed with the County, any amounts remaining on deposit in the Building Fund and not needed for the purposes thereof shall be withdrawn from the Building Fund and transferred to the Debt Service Fund, to be applied to pay the principal of and interest on the 2007 C Bonds.

Section 3.05. Security for the Bonds. The Bonds are general obligations of the District, and the Board of Supervisors of the County has the power, is obligated to, and shall levy ad valorem taxes upon all property within the District subject to taxation, without limitation of rate or amount, for the payment of the Bonds and the interest thereon, in accordance with and subject to Sections 15250 and Section 15252 of the Act.

Section 3.06. Debt Service Fund. The District shall instruct the County Office of Education to create and maintain while the Bonds are outstanding an interest and sinking fund for the Series 2007 C Bonds (the "Debt Service Fund"), which shall be maintained by the County Office of Education as a separate account, distinct from all other funds of the District, into which shall be paid on receipt thereof, (i) the portion of the Bond proceeds designated in Section 3.02 of this Resolution, and (ii) the proceeds of any taxes levied pursuant to Section 3.03. The Debt Service Fund shall be administered and disbursements made in the manner set forth in Section 3.05 hereof.

Section 3.07. Disbursements From Debt Service Fund. The moneys in the Debt Service Fund, to the extent necessary to pay Debt Service on the Bonds as the same becomes due and payable, shall be transferred by the County Office of Education to the Paying Agent which, in turn, shall pay such moneys to DTC to pay the Debt Service on the Bonds. DTC will thereupon make payments of Debt Service on the Bonds to the DTC Participants who will thereupon make payments of Debt Service to the beneficial owners of the Bonds. Any moneys remaining in the Debt Service Fund after Debt Service on the Bonds has been paid, or provision for such payment has been made, shall be transferred to the General Fund of the District, pursuant to Section 15234 of the Bond Law.

Section 3.08. No Liability of the County. Notwithstanding anything stated to the contrary in this Resolution, (a) the Bonds are not a debt of the County, including its Board, officers, officials, agents and employees, and the County, including its Board, officers, officials, agents and employees, has no obligation to repay the Bonds; (b) the Board's sole responsibilities hereunder are to levy a tax for the repayment of the Bonds, as provided in Sections 15140, 15146 and 15250, respectively, of the Education Code, and (i) neither the County, nor the Board, nor any officer, official, agent or employee of the County, shall have any obligation or liability hereunder or in connection with the transactions contemplated hereby other than as specified in said Code Sections; (ii) the Bonds, including interest thereon, shall be payable solely from taxes levied by the Board of Supervisors of the County pursuant to Section 15250 of the California Education Code; and (iii) the County, including its Board, officers, officials, agents and employees, shall retain all of their respective constitutional and statutory privileges, immunities, rights and defenses in carrying out their duties in connection with levying the tax to repay the Bonds.

ARTICLE IV SALE OF THE BONDS; OFFICIAL STATEMENT

Section 4.01. Sale of the Bonds.

(a) Official Notice of Sale. The Board hereby authorizes the sale of the 2007 C Bonds by competitive bid in accordance with the provisions of the Official Notice of Sale for the 2007 C Bonds in substantially the form or forms on file with the Clerk of the Board, together with such additions thereto and changes therein as may be approved by a District Representative, which is hereby incorporated herein by this reference. Said Official Notice of Sale is hereby approved and incorporated in this Resolution. The Current Interest Bonds and the Capital Appreciation Bonds may be sold separately pursuant to either one or two Notice of Sales, and awarded to separate purchasers, as determined by the Vice President/Chief Financial Officer upon the advice of the Financial Advisor.

(b) Publication of Notice of Intention to Sell 2007 C Bonds. Under Government Code Section 53692, the Board hereby approves and authorizes the publication by Jones Hall, A Professional Law

Corporation, as Bond Counsel to the District, of a Notice of Intention to Sell Bonds in form and substance acceptable to Bond Counsel, in *The Bond Buyer* once at least 5 days prior to the date fixed for receipt of bids, or, if the District determines to issue \$10,000,000 or less in aggregate principal amount of Series C Bonds, at least 15 days prior to the date fixed for receipt of bids.

(c) Official Statement. The Board hereby approves and deems nearly final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the preliminary Official Statement describing the 2007 C Bonds in the form on file with the Clerk of the Board. A District Representative is hereby individually authorized, at the request of the Original Purchaser, to execute an appropriate certificate affirming the Board's determination that the preliminary Official Statement has been deemed nearly final within the meaning of such Rule. Distribution of the preliminary Official Statement by the Original Purchaser is hereby approved. A District Representative is hereby individually authorized and directed to approve any changes in or additions to a final form of said Official Statement, and the execution thereof by such District Representative shall be conclusive evidence of approval of any such changes and additions. The Board hereby authorizes the distribution of the final Official Statement by the Original Purchaser. A District Representative shall execute the final Official Statement in the name and on behalf of the District.

(d) Furnishing of Official Notice of Sale and Official Statement. The Board authorizes and directs Caldwell, Flores, Winters, Inc., as financial adviser to the District, to cause to be furnished to prospective bidders a reasonable number of copies of said Official Notice of Sale and a reasonable number of copies of the Preliminary Official Statement relating to the 2007 C Bonds.

(e) Terms and Conditions of Sale. The Vice President/Chief Financial Officer or designee, on behalf of the District, is hereby delegated the authority to accept the best responsible bid for the purchase of the 2007 C Bonds, determined in accordance with the Official Notice of Sale. If two or more bids setting forth identical interest rates and premium, if any, are received, the Vice President/Chief Financial Officer or designee, on behalf of the District, may exercise his or her own discretion and judgment in making the award and may award the 2007 C Bonds on a pro rata basis in such denominations as he or she shall determine, and may, in his or her discretion, reject any and all bids and waive any irregularity or informality in any bid. Sale of the 2007 C Bonds shall be awarded, or all bids shall be rejected, not later than 24 hours after the expiration of the time prescribed for the receipt of proposals unless such time of award is waived by the successful bidder. The Current Interest Bonds and the Capital Appreciation Bonds may be bid separately pursuant to separate Notice of Sales and awarded to separate purchasers, as determined by the Vice President/Chief Financial Officer upon the advice of the Financial Advisor.

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

ARTICLE V COVENANTS

Section 5.01. Punctual Payment. The District shall, pursuant to Section 15140(b) of the California Education Code, send a certified copy of this Resolution, together with the debt service schedule for the Series 2007 C Bonds, to the County Treasurer, to assure that the Board of Supervisors will levy ad valorem taxes, as provided in Section 15250 of the Bond Law, so as to enable the District to punctually pay, or cause to be paid, the principal of and interest on the Series 2007 C Bonds, in conformity with the terms of the Series 2007 C Bonds and of this Resolution. Nothing herein

contained shall prevent the District from making advances of its own moneys, howsoever derived, to any of the uses or purposes permitted by law.

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

Section 5.03. Tax Covenants. (a) Private Activity Bond Limitation. The District shall assure that the proceeds of the Series 2007 C Bonds are not so used as to cause the Series 2007 C Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Internal Revenue Code of 1986 (the "Code").

(b) Federal Guarantee Prohibition. The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Series 2007 C Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code.

(c) Rebate Requirement. The District shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Series 2007 C Bonds.

(d) No Arbitrage. The District shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the Series 2007 C Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Series 2007 C Bonds would have caused the Series 2007 C Bonds to be "arbitrage bonds" within the meaning of section 148 of the Code.

(e) Maintenance of Tax Exemption. The District shall take all actions necessary to assure the exclusion of interest on the Series 2007 C Bonds from the gross income of the Owners of the Series 2007 C Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Series 2007 C Bonds.

Section 5.04. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. "Continuing Disclosure Certificate" shall mean that certain Continuing Disclosure Certificate executed by the District and dated the date of issuance and delivery of the Series 2007 C Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof, the form of which is on file with the Associate Superintendent, Business and Facilities.

**ARTICLE VI
THE PAYING AGENT**

Section 6.01. Appointment of Paying Agent. U.S. Bank National Association, Los Angeles, California, is hereby appointed as Paying Agent for the Bonds. The Paying Agent shall perform such duties, and only such duties, as are specifically set forth in this Resolution, and even during the continuance of an event of default with respect to the Bonds, no implied covenants or obligations shall be read into this Resolution against the Paying Agent. The Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the District a certificate to that effect. The Superintendent is hereby authorized to designate a different paying agent for the Bonds prior to the issuance of the Bonds provided such paying agent meets the conditions set forth below and accepts such duties and obligations by executing and delivering to the District a certificate to that effect.

The District may remove the Paying Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank or trust company doing business and having an office in the State of California, having a combined capital (exclusive of borrowed capital) and surplus of at least Fifty Million Dollars (\$50,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 6.01 the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

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

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

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

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

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

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

The Paying Agent may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Paying Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

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

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

Section 6.05. Compensation; Indemnification. The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution. The District further agrees to indemnify and save the Paying Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or bad faith.

ARTICLE VII EVENTS OF DEFAULT AND REMEDIES OF BONDOWNERS

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

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

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

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

Section 7.02. Application of Funds Upon Default. All of the sums in the Debt Service Fund and accounts provided for in Section 4.02 hereof upon the occurrence of an Event of Default as provided

in Section 7.01 hereof, and all sums thereafter received by the Paying Agent hereunder, shall be applied by the Paying Agent in the following order upon presentation of the Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

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

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

Third, in case any principal of the Bonds shall have become and shall be then due and payable, all such sums shall be applied to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, with interest on the overdue principal and installments of interest at the rate of twelve percent (12%) per annum (to the extent that such interest on overdue installments of interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

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

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

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

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

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

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

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

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

ARTICLE VIII SUPPLEMENTAL RESOLUTIONS

Section 8.01. Supplemental Resolutions Effective Without Consent of the Owners. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the Board may be adopted, which, without the requirement of consent of the Owners of the Bonds, shall be fully effective in accordance with its terms:

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

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

ARTICLE IX MISCELLANEOUS

Section 9.01. Benefits of Resolution Limited to Parties. Nothing in this Resolution, expressed or implied, is intended to give to any person other than the Board, the District, the Paying Agent and the

Owners of the Bonds, any right, remedy, claim under or by reason of this Resolution. Any covenants, stipulations, promises or agreements in this Resolution contained by and on behalf of the District shall be for the sole and exclusive benefit of the Owners of the Bonds.

Section 9.02. Defeasance.

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

- (i) by paying or causing to be paid the Debt Service on Bonds Outstanding and designated for defeasance, as and when the same become due and payable;
- (ii) by depositing, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 9.02(c)) to pay Bonds Outstanding and designated for defeasance; or
- (iii) by delivering to the Paying Agent, for cancellation by it, Bonds Outstanding and designated for defeasance.

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

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

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

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

(i) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity; or

(ii) Federal Securities (not callable by the issuer thereof prior to maturity) the principal of and interest on which when due, in the opinion of a certified public accountant, knowledgeable in calculation of amounts necessary to defease municipal securities, delivered to the District, will provide money sufficient to pay the Debt Service on the Bonds to be paid, as such Debt Service becomes due;

provided, in each case, that the Paying Agent shall have been irrevocably instructed (by the terms of this Resolution or by request of the District) to apply such money to the payment of such Debt Service on such Bonds.

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

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

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

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

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

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

Section 9.05. Destruction of Canceled Bonds. Whenever in this Resolution provision is made for the surrender to the District of any Bonds which have been paid or canceled pursuant to the provisions of this Resolution, a certificate of destruction duly executed by the Paying Agent shall be

deemed to be the equivalent of the surrender of such canceled Bonds and the District shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

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

Section 9.07. Effective Date of Resolution. This Resolution shall take effect from and after the date of its passage and adoption.

M/S/C Acuña/Ramirez

Resolution No. 13962: Contract with Higher One, Inc. Master Card Debit/check card services to deliver refunds/financial aid disbursements to students

Motion by Trustee Acuña to approve the resolution. Second by Trustee Ramirez.

Discussion

Trustee Acuña asked for the anticipated savings and asked if there were hidden costs to this contract. VP Lau stated this would be revenue neutral and stated there were no hidden costs to IVC. VP Lau stated that the services would be treated as a checking account and it may have some cost to the student using the service.

Dean of Financial Aid Jan Magno spoke and stated the current process for a student to receive their money is two weeks and with this service in place it would take five minutes which would eliminate the wait. She explained if the student signs up for a checking account that would be separate from IVC which is an agreement the student may enter into separate from IVC. She stated that IVC would not be sponsoring a bank account, rather looking for a way to provide a more timely service to the student. She stated 5% of IVC's financial aid recipients receive direct deposit.

Trustee Acuña stated that he would favor this contract as long as the students are made aware of the fees.

Director Carlos Fletes stated that once the contract is implemented the students participating in the service will receive information regarding the service. He explained students would still have the option to continue receiving checks through the manual process, to their own account, or this alternative, secure and efficient way.

Trustee Ramirez asked if this would be a one year contract to which Director Fletes responded it would.

Trustee Galindo asked the location of the bank. Dean Magno stated it was in Los Angeles and stated four other community colleges currently participate in this service. Director Fletes stated that he had approached the local Wells Fargo and was informed the local bank could not provide this service.

Trustee Wong asked if there was a safety mechanism to students attempting to withdraw \$505 when the student would have \$500 in the account. Director Fletes explained that the card is treated like an ATM and the student would be unable to withdraw more money than the account has.

The motion passed.

Resolution

WHEREAS, Imperial Valley College currently processes about 20,000 student refund/financial aid checks per year, and

WHEREAS, Imperial Valley College currently issues student refund/financial aid checks out of a Wells Fargo Bank account, and

WHEREAS, Imperial Valley College utilizes the U.S. Postal Service to deliver these checks to students, and

WHEREAS, Imperial Valley College's disbursement process currently takes between two to three weeks from the time the refund/financial aid is calculated/awarded to the time that the student actually receives the funds, and

WHEREAS, Higher One, Inc. services will reduce the processing time to one to two days by providing electronic processing of student refund/financial aid disbursements, and

WHEREAS, Higher One, Inc. will install an ATM on campus to make cash more readily available to students that elect the Master Card Debit card option, and

WHEREAS, it is Imperial Valley College's intent to implement this new delivery method in the spring 2008 semester;

NOW THEREFORE, BE IT RESOLVED that the Imperial Community College Board of Trustees authorizes the Interim Superintendent/President and/or the Vice President for Business Services to enter into a contract with Higher One, Inc. for the purpose of processing student refund/financial aid disbursements.

<p>FISCAL IMPACT STATEMENT: There is no additional impact on the general fund. The existing budget for bank fees is sufficient to cover any fees associated with this contract. It is anticipated that this process will produce a net savings to Imperial Valley College.</p>
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M/S/C Ramirez/Acuña
Resolution No. 13963: Agreement for Legal Services

BE IT RESOLVED that pursuant to the terms and conditions of Education Code Section 35041.5, that the Board approves an agreement with the legal firm of Oswalt and Associates to provide legal services to the Imperial Community College District, which shall commence November 1, 2007, and continue in effect through October 31, 2008.

M/S/C Ramirez/Acuña
Resolution No. 13964: Award of Bid for a Horizontal and Backbone Telecommunications Distribution Systems

WHEREAS, the District, requested and received bids for the award of a contract for a Horizontal and Backbone Telecommunications Distribution Systems with a bid deadline of September 28, 2007.

NOW, THEREFORE, BE IT RESOLVED that the Board approves the recommendation of the Interim Superintendent/President that a contract for a Horizontal and Backbone Telecommunications Distribution Systems, per the plans and specifications be awarded to the sole bidder Teldata Enterprise Networks in the amount of \$421,970.

BE IT FURTHER RESOLVED that the Interim Superintendent/President and/or the Vice President for Business Services be hereby authorized and instructed to sign all notices, contracts, charge-orders, or other documents necessary to effectuate the completion of said project.

FISCAL IMPACT STATEMENT: The project will be funded 100% from <u>Certificates of Participation (COP)</u> .
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M/S/C Ramirez/Acuña
Resolution No. 13965: Property Lease Agreement for Extended Campus

WHEREAS, the Calexico Extended Campus site is located at 1501 Imperial Avenue, Calexico, California 92231; and

WHEREAS, the current lease structure with the landlord in Calexico includes three separate lease agreements each expiring at different times and with different rent amounts; and

Main Building

7,700 square ft 12/1/04 – 11/30/07	\$.86 per sq ft \$6,622.00/month
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Rooms 7 & 8

2,640 square ft 12/20/06 – 12/20/09	\$.98 per sq ft \$2,587.20/month
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Rooms 9 & 10

2,320 square ft 8/1/07 – 7/31/10	\$1.35 per sq ft \$3,132.00/month
8/1/10 – 7/31/13	\$1.46 per sq ft \$3,387.20/month

WHEREAS, the lease for the main building expires on November 30, 2007; and

WHEREAS, a new lease agreement for the building has been negotiated with the developer and includes a progressive scale as follows:

<u>Term</u>	<u>Monthly Rental Charge</u>
December 1, 2007 to June 30, 2009	\$7,700 (\$1.00 per square foot)
July 1, 2009 to June 30, 2010	\$8,855 (\$1.15 per square foot)
July 1, 2010 to June 30, 2011	\$9,625 (\$1.25 per square foot)
July 1, 2014 to June 30, 2017	\$11,550 (\$1.50 per square foot)

WHEREAS, the District's legal counsel has reviewed the terms of these leases and recommends that the three separate leases be merged into a single lease with a single progressive scale; and

WHEREAS, the terms of a single lease will need to be negotiated with the developer;

NOW, THEREFORE, BE IT RESOLVED, that the Board approves the renewal of the existing lease for the main building for one year through June 30, 2008, to allow time to develop and negotiate a single lease agreement for all buildings.

FISCAL IMPACT TO DISTRICT: The fiscal impact of this lease is \$92,400.00. Funds for the additional rent are included in the 2007-2008 Extended Campus budget.

CLOSED SESSION

M/S/C Acuña/Ramirez to go into CLOSED SESSION at 7:48 p.m.

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to subdivision (b) of section 54956.9:
One Case
2. NEGOTIATIONS UNDER THE EDUCATIONAL EMPLOYMENT RELATIONS ACT
Conference with District Negotiators: John Lau and Travis Gregory
Employee Organization: CSEA Chapter 472
RE: Direction for Negotiations

OPEN SESSION

M/S/C Acuña/Wong to go into OPEN SESSION at 8:54 p.m.

Board President Medina reconvened the meeting and announced the final action:

1. Information was provided to the Board and direction given to legal counsel.
2. Information was provided to the Board and direction was given to district negotiators.

CONSENT AGENDA – HUMAN RESOURCES

M/S/C Ramirez/Acuña

Resolution No. 13966: Full Time, Temporary Faculty Employment

BE IT RESOLVED that the following full-time temporary academic personnel be employed effective October 18, 2007 – June 7, 2008, pending medical and background clearance:

<u>Name</u>	<u>Classification/Step</u>	<u>Assignment</u>
Holt, Steve	Appropriate Classification And Step Contingent Upon Verification of Records	EMT Instructor

M/S/C Ramirez/Acuña

Resolution No. 13967: Full Time, Temporary Faculty Employment

BE IT RESOLVED that the following full-time temporary academic personnel be employed for the fall 2007 semester, pending medical and background clearance:

<u>Name</u>	<u>Classification/Step</u>	<u>Assignment</u>
Fisher, Raenelle	Appropriate Classification And Step Contingent Upon Verification of Records	History Instructor

M/S/C Ramirez/Acuña

Resolution No. 13968: Adjunct Instructor Employment

BE IT RESOLVED that the Board approves the recommendation of the Interim Superintendent/ President to employ the following personnel during the fall 2007 session, at the hourly rate provided for in Resolution No. 13829. Employment is contingent upon verification of records, credentials, finger printing clearance and sufficient enrollment, or whether the class is essential to a full-time instructor's load:

<u>Name</u>	<u>Possible Assignment</u>
Galindo, Lorenzo	Welding
Jimenez, Javier	Electronics
Quintana, Elena	Reference Librarian
Theuret, Theresa	English
Williams, Devon	Emergency Medical Services

M/S/C Ramirez/Acuña

Resolution No. 13969: Non-Credit Adjunct Instructor Employment

BE IT RESOLVED that the Board approves the recommendation of the Interim Superintendent/President for the following non-credit personnel to be employed during the fall 2007 session, as credentialed, at the hourly rate provided for in Resolution No. 12945. Employment is contingent upon sufficient enrollment:

<u>Name</u>	<u>Possible Assignment</u>
Brister, Gloria	Business
Cannon, Jimmie	Music
Lang, Dennis	Music
Lemus, Sylvia	Business
Ramirez-Dominguez, Rosalinda	Business/English as a Second Language
Roman, Donaciano	Business
Vasquez, Melisa	Business

M/S/C Ramirez/Acuña

Resolution No. 13970: Memorandum of Understanding between the Imperial Community College District (District) and the Imperial Valley College Chapter of the Community College Association/California Teachers Association/National Education Association (Association)

WHEREAS, this Memorandum of Understanding is entered into between the Imperial Community College District (District) and the Imperial Valley College Chapter of the Community College Association/California Teachers Association/National Education Association (Association); and

WHEREAS, due to an omission in the 2007-2010 Contract Agreement, the District and CTA now wish to include two additional approved positions to be eligible to receive appropriate release time for the life of the contract.

NOW, THEREFORE, it is agreed to provide said weekly reassigned time per semester to the following positions:

1. Academic Senate Secretary 3 units
2. Industrial Technologies Coordinator 4 units

M/S/C Ramirez/Acuña
Resolution No. 13971: Classified Service Employment

BE IT RESOLVED that the Board approves the recommendation of the Interim Superintendent/President to employ the following personnel.

<u>Name</u>	<u>Position</u>	<u>Dept.</u>	<u>Funding</u>	<u>Range</u>	<u>Effective</u>
Aguilar-Valenzuela, Juan Carlos	Student Services Representative	Extended Campus	District 10-month	11-1 50%	10/1/2007
Figueroa, Maria V.	Student Services Technician	Extended Campus	District	13-1	10/3/2007
Luna, Susie	Staff Secretary II	Child, Family & Consumer Science	District	12-1	10/8/2007
Soto, Oralia	Student Services Technician	Counseling	District	13-1	9/21/2007
Vargas, Mabel	Office Assistant III	CalWORKS*	State	9-1 75%	9/17/2007

*Employment contingent upon continued funding

M/S/C Ramirez/Acuña
Resolution No. 13972: Classified Confidential Employment

BE IT RESOLVED that the Board approves the recommendation of the Interim Superintendent/President to employ the following personnel.

<u>Name</u>	<u>Position</u>	<u>Department</u>	<u>Funding</u>	<u>Range</u>	<u>Effective</u>
Ayon, Maria Lourdes	Administrative Assistant	Counseling Services	District 12 month	5-2	10/1/07

M/S/C Ramirez/Acuña
Resolution No. 13973: Dean of Instruction

WHEREAS, it is the recommendation of the Administrative Council, and notifications with opportunities for discussion regarding the roles/responsibilities for a Dean of Instruction position have been extended to the Academic Senate, College Council, and the Planning and Budget Committee, that the position of Dean of Instruction be established.

NOW, THEREFORE, BE IT RESOLVED that the position of Dean of Instruction become effective October 10, 2007.

M/S/C Ramirez/Acuña

Resolution No. 13974: Job Description for Dean of Instruction

BE IT RESOLVED that the Board approves the recommendation of the Interim Superintendent/President for the Dean of Instruction job description as follows:

General Description:

Provides leadership for the measurable expansion and improvement of learning at the College, including but not limited to promotion of learning as the chief value and design principle in the culture of the college; the design, implementation, and assessment of an outcomes-based curriculum; development of a scholarly, diverse, and learning-centered faculty; development of learning support systems, including technology, that enhance student learning, persistence and access; commitment to collaborative practices and shared governance.

Representative Responsibilities:

1. Under the general supervision of the Vice President for Academic Services, provide administrative leadership and support for the evening, weekend, and distance learning programs and for any other assigned instructional areas;
2. Assist the Vice President for Academic Services in the hiring, retention, support, training, and evaluation of full-time and part-time staff;
3. Collaborate to ensure compliance with District policies and procedures, California Education Code and California Code of Regulations;
4. Participate in strategic and long-range instructional planning for the District, including but not limited to Program Review, Master Plan, and Accreditation;
5. Participate in the development and implementation of enrollment management;
6. Assist with the preparation and publication of class schedules and college catalogs;
7. Provide administrative leadership to enhance internal expertise in curriculum planning and design;
8. Collaborate with the Academic Senate and other campus groups to assure increased, measurable student learning outcomes, provide program analysis, and set priorities for resource needs;
9. Encourage excellence in teaching, determine needs and provide support services and programs for faculty development, including but not limited to organization of workshops, conferences, and orientations;
10. Develop and prepare budgets and monitor and control assigned program operating budgets;
11. Make presentations as necessary to various groups within the district, community, and state to strengthen the image of Imperial Valley College;
12. Maintain current knowledge of new developments and innovations in community colleges and higher education in general and communicate with community leaders in the private and public sectors, educational agencies, and with department faculty to determine relevance of instructional programs, need for program improvement and/or new instructional services and programs, and identify resources for development;
13. Organize and chair meetings, lead workshops, facilitate group discussions and involve faculty and staff in idea generation, goal setting, and decision-making for assigned areas;
14. Effectively respond to emergencies which may include but are not limited to medical emergencies, natural disasters, disruptive students, major equipment failures, or police/fire emergencies;
15. Analyze a variety of data and statistics and prepare reports as necessary; assure submission of required reports on a timely basis; compile reports about campus activities, including but not limited to reports to help ensure campus security;
16. Ensure proper use and scheduling of assigned facilities in compliance with health and safety regulations;
17. Represent the Vice President for Academic Services in his/her absence, and as directed.

FISCAL IMPACT STATEMENT: The fiscal impact to the District for salary is approximately \$114,611.

M/S/C Ramirez/Acuña
Resolution No. 13975: Faculty Resignation

BE IT RESOLVED that the Board accepts the resignation of Mariaelena Thibodeaux, Emergency Medical Technician Instructor, effective October 17, 2007.

ADJOURNMENT
M/S/C Ramirez/Acuña to ADJOURN the meeting at 8:57 p.m.

A special meeting date will be determined in the next few days.

The next regular meeting of the Imperial Community College District Board of Trustees is scheduled for the **THIRD WEDNESDAY, NOVEMBER 21, 2007, AT 6 P.M.** in the Administration Building Board Room.

Adopted this _____ day of _____, 2007.

ICCD Board President

ICCD Board Secretary