



Union High School District

Board of Trustees
Joyce Dalessandro
Linda Friedman
Barbara Groth
Beth Hergesheimer
Deanna Rich

Superintendent
Ken Noah

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
BOARD OF TRUSTEES
BOARD WORKSHOP
AGENDA**

**OCTOBER 28, 2009
12:00 PM**

**DISTRICT OFFICE BOARD ROOM 101
710 ENCINITAS BLVD., ENCINITAS, CA. 92024**

The Governing Board of the San Dieguito Union High School District has scheduled a Board Workshop for Wednesday, October 28, 2009, at the above location, in the Board Room.

- 1. CALL TO ORDER..... 12:00 PM

INFORMATION ITEMS

- 2. Energy Financing Plan
- 3. Adjournment

In compliance with the Americans with Disabilities Act, if you need special assistance, disability-related modifications, or accommodations, including auxiliary aids or services, in order to participate in the public meetings of the District's Governing Board, please contact the [Office of the District Superintendent](#). Notification 72 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accommodation and accessibility to this meeting. Upon request, the District shall also make available this agenda and all other public records associated with the meeting in appropriate alternative formats for persons with a disability.

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: October 23, 2009

BOARD MEETING DATE: October 28, 2009

PREPARED BY: John Addleman, Director of Planning and
Financial Management
Steve Ma, Assoc. Supt. of Business Services

SUBMITTED BY: Ken Noah
Superintendent

SUBJECT: Energy Financing Plan

EXECUTIVE SUMMARY

On October 15, 2009, staff presented a Solar Energy Update detailing the history, team goals, solar energy savings schedule and financing scenarios based upon the market for Qualified School Construction Bonds.

At the October 28, 2009 workshop, we look forward to presenting the follow topics:

- **Carport Samples of Proposed Design**
 - Security
- **Financing**
 - Cost Neutral and Energy Savings
 - Savings and Financial Schedules
 - Guarantee
 - Financing Cap – 3%
 - Document Review and Flowchart
- **Schedule**

San Dieguito Union High School District

Business Services Department

ITEM 2

Energy Financing Plan

October 28, 2009

Agenda

Carport Samples of Proposed Design

Security

Financing

Cost Neutral and Energy Savings

Savings and Financial Schedules

Guarantee

Financing Cap – 3%

Document Review and Flowchart

Schedule

East LA Community College

ITEM 2



Fresno State - Day

ITEM 2



Fresno State - Night

ITEM 2



The Team's goal in design

“Cost Neutral”

Solar Energy Savings are to pay for the construction of the solar facility without placing a burden on the general fund.

In Every Year of Debt Service.

How do they pay for themselves? ITEM 2

Energy Savings

- **Energy Efficiency**
 - Annual savings from SDG&E bill are used to pay for construction.

- **California Solar Initiative**
 - State incentive payments add to annual savings in first five years.

- **Renewable Energy Credits**
 - Market still like the “wild west”, but have some value.

Savings Schedule

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Phase 1 Consideration: Canyon Crest Academy and La Costa Canyon HS

System Size: 2066 kW

Cost: \$13,737,960

Cost/W: \$6.65

Year	Energy Efficiency	REC Credits	Performance Based Incentive Payments	Total Program Savings	Guarantee (M&V)	Operation & Maintenance	Net Program Savings
1	\$539,402	\$33,726	\$981,128	\$1,554,256	\$19,192	\$36,514	\$1,498,550
2	\$562,407	\$33,726	\$974,260	\$1,570,393	\$19,960	\$37,609	\$1,512,824
3	\$586,394	\$33,726	\$967,440	\$1,587,560	\$20,758	\$38,738	\$1,528,064
4	\$611,404	\$33,726	\$960,668	\$1,605,798	\$21,588	\$39,900	\$1,544,310
5	\$637,480	\$33,726	\$953,944	\$1,625,150	\$22,452	\$41,097	\$1,561,601
6	\$664,669	\$0	\$0	\$664,669	\$23,350	\$42,330	\$598,989
7	\$693,017	\$0	\$0	\$693,017	\$24,284	\$43,600	\$625,133
8	\$722,574	\$0	\$0	\$722,574	\$25,255	\$44,908	\$652,411
9	\$753,392	\$0	\$0	\$753,392	\$26,266	\$46,255	\$680,871
10	\$785,524	\$0	\$0	\$785,524	\$27,316	\$47,642	\$710,566
11	\$819,027	\$0	\$0	\$819,027	\$28,409	\$49,072	\$741,546
12	\$853,958	\$0	\$0	\$853,958	\$29,545	\$50,544	\$773,869
13	\$890,379	\$0	\$0	\$890,379	\$30,727	\$52,060	\$807,592
14	\$928,354	\$0	\$0	\$928,354	\$31,956	\$53,622	\$842,776
15	\$967,948	\$0	\$0	\$967,948	\$33,234	\$55,231	\$879,483
16	\$689,568	\$0	\$0	\$689,568	\$0	\$0	\$689,568
17	\$705,283	\$0	\$0	\$705,283	\$0	\$0	\$705,283
18	\$721,356	\$0	\$0	\$721,356	\$0	\$0	\$721,356
19	\$737,796	\$0	\$0	\$737,796	\$0	\$0	\$737,796
20	\$754,610	\$0	\$0	\$754,610	\$0	\$0	\$754,610
21	\$771,808	\$0	\$0	\$771,808	\$0	\$0	\$771,808
22	\$789,397	\$0	\$0	\$789,397	\$0	\$0	\$789,397
23	\$807,388	\$0	\$0	\$807,388	\$0	\$0	\$807,388
24	\$825,788	\$0	\$0	\$825,788	\$0	\$0	\$825,788
25	\$844,608	\$0	\$0	\$844,608	\$0	\$0	\$844,608
Totals	\$18,663,531	\$168,630	\$4,837,440	\$23,669,601	\$384,292	\$679,122	\$22,606,187

30 yr Net Program Savings: \$27,126,881

Finance Schedule – Coupon to 1.85%

ITEM 2

Total Amount Financed:
\$14,610,000

Structure: QSCB only

Assumptions:

- 1) Favorable market rate of 1.85%.
- 2) District holds RECs after year 5.
- 3) Chevron Guarantee for entire 15 year term.

Year	Program Savings	Debt Service - 1.85% Coupon		Net QSCB Debt Service	Annual Savings	Excess Savings Fund - 3.5%
		Total Principal and Interest	Interest Earned on Principal Set-Aside			
1	\$1,498,550	\$1,240,285	\$0	\$1,240,285	\$258,265	\$258,265
2	\$1,512,824	\$1,240,285	\$33,950	\$1,206,335	\$306,489	\$573,793
3	\$1,528,064	\$1,240,285	\$67,900	\$1,172,385	\$355,679	\$949,555
4	\$1,544,310	\$1,245,285	\$101,850	\$1,143,435	\$400,875	\$1,383,664
5	\$1,561,601	\$1,245,285	\$135,975	\$1,109,310	\$452,291	\$1,884,384
6	\$598,989	\$1,245,285	\$170,100	\$1,075,185	(\$476,196)	\$1,474,141
7	\$625,133	\$1,245,285	\$204,225	\$1,041,060	(\$415,927)	\$1,109,809
8	\$652,411	\$1,245,285	\$238,350	\$1,006,935	(\$354,524)	\$794,128
9	\$680,871	\$1,245,285	\$272,475	\$972,810	(\$291,939)	\$529,984
10	\$710,566	\$1,245,285	\$306,600	\$938,685	(\$228,119)	\$320,414
11	\$741,546	\$1,245,285	\$340,725	\$904,560	(\$163,014)	\$168,615
12	\$773,869	\$1,245,285	\$374,850	\$870,435	(\$96,566)	\$77,950
13	\$807,592	\$1,245,285	\$408,975	\$836,310	(\$28,718)	\$51,961
14	\$842,776	\$1,245,285	\$443,100	\$802,185	\$40,591	\$94,370
15	\$879,483	\$1,245,285	\$477,225	\$768,060	\$111,423	\$209,096
16	\$689,568				\$689,568	\$905,983
17	\$705,283				\$705,283	\$1,642,975
18	\$721,356				\$721,356	\$2,421,835
19	\$737,796				\$737,796	\$3,244,395
20	\$754,610				\$754,610	\$4,112,559
21	\$771,808				\$771,808	\$5,028,307
22	\$789,397				\$789,397	\$5,993,694
23	\$807,388				\$807,388	\$7,010,862
24	\$825,788				\$825,788	\$8,082,030
25	\$844,608				\$844,608	\$9,209,509
Totals	\$22,606,187	\$18,664,275	\$3,576,300	\$15,087,975	\$7,518,212	\$9,209,509
30 Year	\$27,126,881				\$12,038,906	\$15,778,913

Finance Schedule – Coupon greater than 1.85% to 3%

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Total Amount Financed:
\$15,271,000

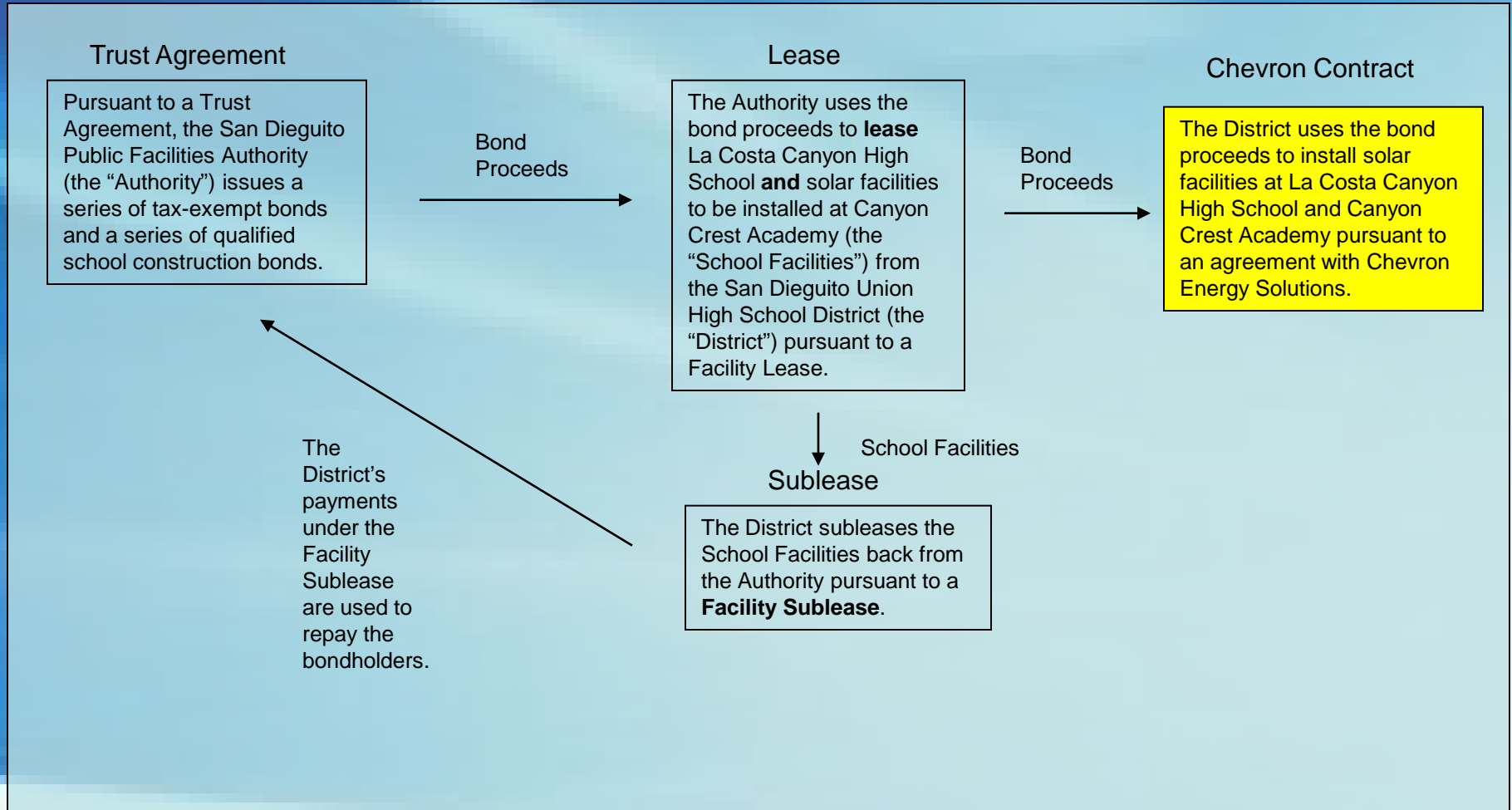
Series Structure: QSCB \$9,295,000
Tax-Exempt Lease Revenue Bonds \$5,976,000

Assumptions:

- 1) Unfavorable market rate of 3%.
- 2) District holds RECs after year 5.
- 3) Conservative CCSE Program Savings and 3% Escalation after Chevron Guarantee expires.

Year	Program Savings	Net Debt Service - 3% Coupon		Net LRB and QSCB Debt Service	Annual Savings	Excess Savings Fund - 3.5%
		Tax-Exempt Lease Revenue Bond	QSCB			
1	\$1,498,550	\$276,472	\$893,850	\$1,170,322	\$328,228	\$328,228
2	\$1,512,824	\$276,472	\$877,325	\$1,153,797	\$359,027	\$698,743
3	\$1,528,064	\$276,472	\$855,625	\$1,132,097	\$395,967	\$1,119,166
4	\$1,544,310	\$276,472	\$833,925	\$1,110,397	\$433,913	\$1,592,250
5	\$1,561,601	\$276,472	\$812,225	\$1,088,697	\$472,904	\$2,120,883
6	\$598,989	\$276,472	\$790,525	\$1,066,997	(\$468,008)	\$1,727,105
7	\$625,133	\$276,472	\$768,825	\$1,045,297	(\$420,164)	\$1,367,390
8	\$652,411	\$276,472	\$747,125	\$1,023,597	(\$371,186)	\$1,044,063
9	\$680,871	\$276,472	\$725,425	\$1,001,897	(\$321,026)	\$759,579
10	\$710,566	\$276,472	\$703,725	\$980,197	(\$269,631)	\$516,533
11	\$741,546	\$276,472	\$682,025	\$958,497	(\$216,951)	\$317,661
12	\$773,869	\$276,472	\$660,325	\$936,797	(\$162,928)	\$165,851
13	\$807,592	\$276,472	\$638,625	\$915,097	(\$107,505)	\$64,151
14	\$842,776	\$276,472	\$616,925	\$893,397	(\$50,621)	\$15,775
15	\$879,483	\$276,472	\$595,225	\$871,697	\$7,786	\$24,113
16	\$689,568	\$666,472		\$666,472	\$23,096	\$48,053
17	\$705,283	\$681,972		\$681,972	\$23,311	\$73,046
18	\$721,356	\$695,722		\$695,722	\$25,634	\$101,237
19	\$737,796	\$712,722		\$712,722	\$25,074	\$129,854
20	\$754,610	\$732,722		\$732,722	\$21,888	\$156,287
21	\$771,808	\$750,472		\$750,472	\$21,336	\$183,093
22	\$789,397	\$764,497		\$764,497	\$24,900	\$214,401
23	\$807,388	\$786,160		\$786,160	\$21,228	\$243,133
24	\$825,788	\$799,935		\$799,935	\$25,853	\$277,496
25	\$844,608	\$223,502		\$223,502	\$621,106	\$908,314
Totals	\$22,606,187	\$10,961,256	\$11,201,700	\$22,162,956	\$443,231	\$908,314
30 Year	\$27,126,881				\$4,963,923	\$5,919,695

Document Flowchart



**San Dieguito Public Facilities Authority
2009 Energy Savings Financing**

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Financing Schedule
(as of October 16, 2009)

OCTOBER 2009							NOVEMBER 2009							DECEMBER 2009						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
				1	2	3	1	2	3	4	5	6	7			1	2	3	4	5
4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12
11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19
18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26
25	26	27	28	29	30	31	29	30						27	28	29	30	31		

KEY	PARTICIPANT
Dist	San Dieguito Union High School District
BC	Bond Counsel (Manatt, Phelps & Phillips)
DC	Disclosure Counsel (Orrick, Herrington & Sutcliff)
SA	Solar Advisor (MuniBond Solar)
UW	Underwriter (De La Rosa & Co.)
T	Trustee (U.S. Bank)
RA	Rating Agency (Moody's and Standard & Poor's)
P	Printer (TBD)
WG	Working Group (All)

Date	Action	Responsibility
10/13/09	Distribute first draft of bond documents	BC/DC
10/16/09	Conference call to review first draft of bond documents	WG
10/20/09 Morning	Deadline for comments on bond documents	WG
10/21/09	Distribute first draft of POS, disclosure agreement, purchase contract	DC
10/23/09	Distribute second draft of bond documents	BC/DC
10/29/09 10:00 AM PT	Conference call to review second draft of bond documents, first draft of POS, disclosure agreement and purchase contract Dial-In: (866) 642-1665 Pass Code: 762124	WG
11/2/09 Morning	Distribute substantially final draft of bond documents	BC/DC
11/2/09 Afternoon	Submit bond documents to District for Board approval	BC/DC
11/2/09	Submit credit package to rating agencies	UW
11/9/09	Meetings/presentations to rating agencies (if necessary)	RA

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Date	Action	Responsibility
11/12/09	Board approves bond documents	-
11/16/09	Receive credit ratings from rating agencies	RA
11/18/09	POS posted and mailed to investors	P
11/26/09	Thanksgiving day holiday	-
12/8/09	Pre-Pricing Conference Call	Dist, SA, UW
12/9/09	Price bonds	UW
12/11/09	Draft of final OS distributed to the working group	DC
12/14/09	Final comments on OS to Disclosure Counsel	WG
12/15/09	Final OS printed	P
12/17/09	Pre-Closing	WG
12/18/09	Closing	WG