

**RICH COUNTY, UTAH  
TAXABLE LEASE REVENUE BONDS, SERIES 2018**

**AUTHORIZING RESOLUTION  
May 16, 2018**

**RESOLUTION NO. 18-7**

A RESOLUTION OF THE COUNTY COMMISSIONERS OF RICH COUNTY, UTAH (THE "COUNTY"), AUTHORIZING AN ANNUALLY RENEWABLE LEASE; AUTHORIZING THE ISSUANCE AND SALE BY THE COUNTY'S LOCAL BUILDING AUTHORITY OF ITS \$3,870,000 TAXABLE LEASE REVENUE BONDS, SERIES 2018; AUTHORIZING A MASTER RESOLUTION, GROUND LEASE, SECURITY DOCUMENTS; AUTHORIZING ALL OTHER ACTIONS NECESSARY TO COMPLETE THE TRANSACTION CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, Rich County, Utah (the "County"), is a political subdivision and body politic duly and regularly created, established, organized, and existing under and by virtue of the Constitution and laws of the State of Utah; and

WHEREAS, the County has previously authorized and directed the creation of the Local Building Authority of Rich County, Utah (the "Authority"), pursuant to the provisions of a Resolution (the "Creating Resolution"); and

WHEREAS, pursuant to the direction of the County Commissioners contained in the Creating Resolution, the Authority has been duly and regularly created, established, and is organized and existing as a nonprofit corporation under and by virtue of the provisions of the Constitution and laws of the State of Utah, including, in particular, the provisions of the Utah Revised Nonprofit Corporations Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended, and the Utah Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (the "Utah Local Building Authority Act" and collectively with the Nonprofit Corporation Act, the "Acts"); and

WHEREAS, under the Articles of Incorporation of the Authority (the "Articles") the objects and purposes for which the Authority has been founded and incorporated are to acquire, improve or extend one or more projects and to finance their costs on behalf of the County in accordance with the procedures and subject to the limitations of the Act in order to accomplish the public purpose for which the County exists; and

WHEREAS the Authority and County desire to enter into a Lease Agreement to be dated as of June 1, 2018, or the first day of the month in which the Bonds are issued (the "Lease"), to secure the acquisition and construction of road improvements, including the reconstruction of a portion of Cisco Road, and related improvements (the "2018 Project, and collectively with the Substitute Collateral described herein, the "Project"); and

WHEREAS, the Authority desires to lease the 2018 Project, as lessor, on an annually renewal basis, to the County, as lessee; and

WHEREAS, pursuant to the Lease the County will lease, as lessee, the 2018 Project from the Authority, as lessor, on an annually renewable basis and the County will pledge the Substitute Collateral, which consists of the New Road Shed, Senior Citizen's Center, 4-H Building, Courthouse / Jail, Laketown Road Shed, Sanitation Building, Old Weed Shed, Health Building, and the New Weed Shed, as further described in the Lease, to secure the Series 2018 Bonds pursuant to a Substitute Collateral Ground Lease dated as of June 1, 2018, or the first day of the month in which the Bonds are issued (the "Substitute Collateral Ground Lease"); and

WHEREAS, the County owns or enjoys easement rights either recorded or prescriptive to the real property on which the 2018 Project will be located (the "Project Site") and the County, as lessor, desires to lease the Project Site to the Authority, as lessee, pursuant to the 2018 Project Ground Lease Agreement to be dated as of June 1, 2018, or the first day of the month in which the Bonds are issued (the "2018 Project Ground Lease") and collectively with the Substitute Collateral Ground Lease, the "Ground Lease"); and

WHEREAS, the estimated costs of construction of the 2018 Project, including certificates of the engineer/architect setting forth the estimated useful life of the 2018 Project has been submitted to the County; and

WHEREAS, the County has determined that the cost of construction of the 2018 Project is not less than the fair market value of the 2018 Project; and

WHEREAS, the Authority proposes to finance, in part, the costs of acquiring and constructing the 2018 Project, by means of the issuance of its \$3,870,000 Taxable Lease Revenue Bonds, Series 2018, or the first day of the month in which the Bonds are issued (the "Series 2018 Bonds") pursuant to a Master Resolution dated as of June 1, 2018 (the "Master Resolution"); and

WHEREAS, the Authority proposes to secure its payment obligations under the Series 2018 Bonds, by executing a Leasehold Deed of Trust, Assignment of Rents and Security Agreement with respect to the Substitute Collateral but not the 2018 Project, and an assignment of the Ground Lease (collectively, the "Security Documents") for the benefit of the holders of the Series 2018 Bonds; and

WHEREAS, the Series 2018 Bonds shall be payable solely from the rents, revenues and other income derived by the Authority from the leasing of the Project to the County on an annually renewable basis, and shall not constitute or give rise to an obligation or liability of the County, or the State of Utah or constitute a charge against the general credit or taxing powers of the County, the State of Utah or the Authority; and

WHEREAS, the County desires to improve and promote the general welfare of the citizens of the County by entering into the Lease and the Ground Lease; and

WHEREAS, the Authority has negotiated the sale of the Series 2018 Bonds with the State of Utah Permanent Community Impact Fund Board (the “Purchaser”); and

WHEREAS, under the Articles, the Authority may not exercise any of its powers without prior authorization by the governing body of the County and, therefore, it is necessary that the County Commissioners authorize certain actions by the Authority in connection with the transactions contemplated by the Lease, the Ground Lease, the Master Resolution, the Series 2018 Bonds and the Security Documents; and

WHEREAS, the Authority by its Resolution dated May 16, 2018 (the “Authority Resolution”), has authorized, approved and directed the execution of the Lease and the Ground Lease by the Authority and has authorized the issuance of the Series 2018 Bonds and the financing, in part, of the acquisition and construction of the 2018 Project by the Authority and has further authorized the execution of the Lease, the Ground Lease, the Master Resolution and the Security Documents (including the Leasehold Deed of Trust and Assignment of Ground Lease) by the Authority, and certain other acts to be taken by the Authority in connection with the 2018 Project and certain other acts to be taken by the Authority in connection therewith:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COMMISSIONERS OF RICH COUNTY, UTAH AS FOLLOWS:

Section 1. All action heretofore taken (not inconsistent with the provisions of this Resolution or the Creating Resolution) by the County Commissioners and by the officers of the County directed toward the creation and establishment of the Authority and the leasing of the Project by the County are hereby ratified, approved and confirmed.

Section 2. The Lease in the form presented to this meeting and attached hereto as Exhibit A is in all respects approved, authorized and confirmed and the Chair is authorized to approve the final terms thereof and to execute and deliver the Lease in the form and with substantially the same content as set forth in Exhibit A for and on behalf of the County. The appropriate officials of the Authority are authorized to approve the final terms and to execute the Lease on behalf of the Authority in the form and with substantially the same content as set forth in Exhibit A for and on behalf of the Authority.

Section 3. The Ground Lease (including the 2018 Project Ground Lease and the Substitute Collateral Ground Lease) in the forms presented to this meeting and attached hereto as Exhibit B is in all respects approved, authorized and confirmed. The appropriate officials of the Authority are authorized to approve the final terms and to execute and deliver the Ground Lease on behalf of the Authority in the forms and with substantially the same content as set forth in Exhibit B for and on behalf of the Authority. The appropriate officials of the County are authorized to approve the final terms and to deliver the Ground Lease on behalf of the County.

Section 4. The appropriate officials of the Authority are authorized to execute and deliver the Master Resolution and the Security Documents in the forms and with

substantially the same content as set forth in Exhibits C and D, respectively, for and on behalf of the Authority.

Section 5. As additional consideration for the Lease, the County authorizes the Authority to pledge of the Substitute Collateral pursuant to the Security Documents with the reservation of the County's reversionary rights described in the Substitute Collateral Ground Lease and authorizes its officials to take all reasonable actions to carry out this authorization.

Section 6. The Authority is authorized to issue the Series 2018 Bonds in the aggregate principal amount of \$3,870,000. The Series 2018 Bonds shall be dated, shall bear no interest, shall be issued as fully registered bonds, and shall mature as provided in the Master Resolution.

The Chair of the Authority is hereby authorized, on behalf of the Authority, to award the sale of the Series 2018 Bonds to the Purchaser.

The form, terms and provisions of the Series 2018 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the Master Resolution in the form to be executed by the Authority. The Series 2018 Bonds shall mature prior to the expiration of the estimated useful life of the Project. The Chair of the Governing Board of the Authority is hereby authorized to execute the Series 2018 Bonds, to place thereon the seal of the Authority, and to deliver the Series 2018 Bonds to the Purchaser. The Secretary of the Governing Board of the Authority is authorized to attest to the signature of such Chair of the Board and to affix the seal of the Authority to the Series 2018 Bonds and to authenticate the Series 2018 Bonds. The signatures of the Chair of the Board and of the Secretary of the Governing Board of the Authority may be by facsimile or manual execution.

Section 7. The appropriate officers of the County are authorized to take all action necessary or reasonably required to carry out, give effect to and consummate the transaction contemplated hereby, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the sale and delivery of the Series 2018 Bonds.

Section 8. Upon their issuance, the Series 2018 Bonds will constitute special limited obligations of the Authority payable solely from and to the extent of the sources set forth in the Lease, Series 2018 Bonds, Security Documents and the Master Resolution. No provision of this Resolution, the Lease, the Ground Lease, the Master Resolution, the Series 2018 Bonds, or the Security Documents, or any other instrument, shall be construed as creating a general obligation of the Authority or of creating a general obligation of the County, or as incurring or creating a charge upon the general credit of the County or against its taxing powers. The County shall have no power to pay out of its funds, revenues, or accounts, or otherwise contribute any part of the cost, or of making any payment in respect of the Series 2018 Bonds, except in connection with the payment of the Base Rentals, Additional Rentals and Purchase Option Price pursuant to the Lease (as those terms are defined in the Lease) which may be terminated by the

County on any annual renewal date thereof in accordance with the provisions of such Lease.

Section 9. The Chair is hereby authorized to make any alterations, changes or additions in the Lease and Ground Lease herein approved and authorized necessary to correct errors or omissions therein, to remove ambiguities therefrom, or to conform the same to other provisions of such instruments, to the provisions of this Resolution or the provisions of the laws of the State of Utah or the United States. Execution of said documents shall conclusively establish approval of such changes.

Section 10. The appropriate officials of the Authority are authorized to make any alterations, changes or additions in the Lease, the Ground Lease, the Master Resolution, and the Security Documents herein authorized and approved which may be necessary to correct errors or omissions therein, to remove ambiguities therefrom, to conform the same to other provisions of said instruments, to the provisions of this Resolution, the Creating Resolution or any resolution adopted by the County or the Authority, or the provisions of the laws of the State of Utah or the United States. Execution of said documents shall conclusively establish approval of such changes.

Section 11. If any provisions of this Resolution (including the exhibits attached hereto) should be held invalid, the invalidity of such provisions shall not affect any of the other provisions of this Resolution or the Exhibits.

Section 12. The County Clerk/Auditor is hereby authorized to attest to all signatures and acts of any proper official of the County, and to place the seal of the County Clerk/Auditor on the Lease and Ground Lease. The Chair and other proper officials of the County and each of them, are hereby authorized to execute and deliver for and on behalf of the County any and all additional certificates, documents and other papers and to perform all other acts that they may deem necessary or appropriate in order to implement and carry out the matters herein authorized.

Section 13. The Secretary of the Authority is hereby authorized to attest to all signatures and acts of any proper official of the Authority, and to place the seal of the Authority on the Lease, the Ground Lease, the Master Resolution, the Security Documents, the Series 2018 Bonds, and any other documents authorized, necessary or proper pursuant to this Resolution or any Resolution of the Authority. The appropriate officials of the Authority, and each of them, are hereby authorized to execute and deliver for and on behalf of the Authority any or all additional certificates, documents and other papers to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and any Resolution of the Authority.

Section 14. The County Clerk/Auditor is directed to complete the attached Record of Proceedings.

Section 15. All regulations, orders and resolutions of the County or parts thereof inconsistent herewith are hereby repealed to the extent only of such


inconsistency. This repealer shall not be construed as reviving any regulation, order, resolution or ordinance or part thereof.

Section 16. This Resolution shall become effective immediately upon adoption by the County Commissioners.

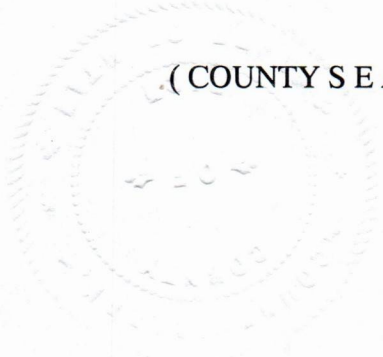
PASSED BY THE COUNTY COMMISSIONERS OF RICH COUNTY, UTAH  
THIS May 16, 2018.

  
Chair

ATTEST AND COUNTERSIGN:

  
County Clerk/Auditor

( COUNTY S E A L )



**RECORD OF PROCEEDINGS  
RICH COUNTY, UTAH  
May 16, 2018**

The County Commissioners (the "Board") of Rich County, Utah (the "County"), met in a public meeting at the Board's regular meeting place at 20 S. Main, Randolph, Utah, on May 16, 2018, at 6:30 p.m., or as soon thereafter as feasible (the "Meeting"). Present at the Meeting were the following members of the Board:

Present:

William E. Cox	Chair
Norman Weston	Commissioner
Thomas Weston	Commissioner

Also Present:

Rebecca Peart	County Clerk/Auditor
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Absent:

which constituted all members thereof.

After the Meeting had been duly called to order and after other matters were discussed, the foregoing resolution (the "County Authorizing Resolution") was introduced in written form and fully discussed.

A motion to adopt the County Authorizing Resolution was then duly made by Commissioner Thomas Weston and seconded by Commissioner William Cox, and the County Authorizing Resolution was put to a vote and carried, the vote being as follows:

Those Voting Aye:

Thomas Weston, William Cox

Those Voting Nay:

Those Absent:

Other business not pertinent to the County Authorizing Resolution appears in the minutes of the Meeting. Upon the conclusion of all the business on the agenda and upon motion duly made and seconded, the Meeting was adjourned.

**CERTIFICATE OF COUNTY CLERK/AUDITOR**

I, Rebecca Peart, the undersigned and duly qualified and acting County Clerk/Auditor of Rich County, Utah (the "County") do hereby certify:

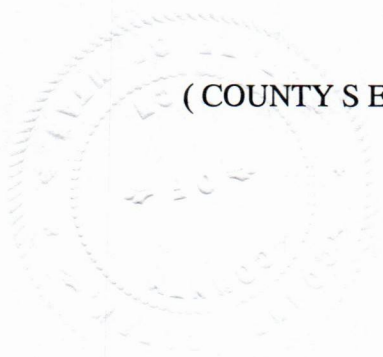
The attached County Authorizing Resolution is a true, accurate and complete copy thereof adopted by the County Commission at a lawful meeting duly held and conducted by the Commission at 20 S. Main, Randolph, Utah, on May 16, 2018, commencing at the hour of 6:30 p.m., or as soon thereafter as feasible (the "Meeting"), as recorded in the regular official book of the proceedings of the County kept in my office. The Meeting was called and noticed as required by law as is evidenced by the following Notice of Meeting and Certificate of Compliance with Open Meeting Law. The persons present and the result of the vote taken at the Meeting are all as shown above. The Resolution, with all exhibits attached, was deposited in my office on May 16, 2018, and is officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the County, this May 16, 2018.



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County Clerk/Auditor

( COUNTY S E A L )

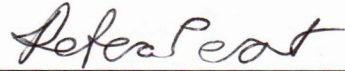


NOTICE OF SPECIAL MEETING

TO THE COUNTY COMMISSIONERS OF RICH COUNTY, STATE OF UTAH:

NOTICE IS HEREBY GIVEN that a special meeting (the "Special Meeting") of the County Commissioners of Rich County, Utah, will be held at the Commission's regular meeting place at 6:30 p.m., or as soon thereafter as feasible, on Wednesday, May 16, 2018, for the purpose of adopting an Authorizing Resolution authorizing the issuance and sale by the County's Local Building Authority of its Taxable Lease Revenue Bonds in an aggregate principal amount not to exceed \$3,870,000 for road improvements, and for the transaction of such other business incidental to the foregoing as may come before the Special Meeting.

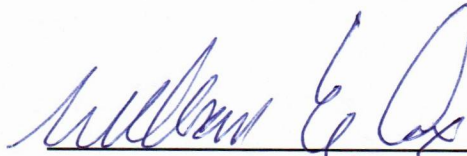
(COUNTY SEAL)



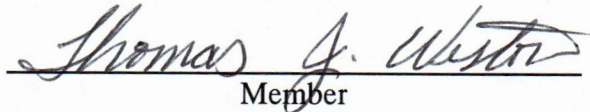
County Clerk/Auditor

ACKNOWLEDGMENT OF NOTICE  
AND CONSENT TO SPECIAL MEETING

We, the Chair and Commissioners of Rich County, Utah, do hereby acknowledge receipt of the foregoing Notice of Special Meeting (the "Notice"), and we hereby waive any and all irregularities, if any, in the Notice and in the manner of service thereof upon us and consent and agree to the holding of the Special Meeting at the time and place specified in the Notice, and to the transaction of any and all business which may come before the Special Meeting.



Chair



Member

Member

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Rebecca Peart, the undersigned County Clerk/Auditor of Rich County, Utah (the "County"), do hereby certify, according to the records of the County in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-6(2), Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time, and place of the May 16, 2018, public meeting held by the County Commissioners as follows:

(a) By causing a Notice, in the form attached hereto (the "Meeting Notice") to be posted at the County's principal offices at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting; and

(b) By causing a copy of the Meeting Notice to be delivered to a newspaper of general circulation in the County at least twenty-four (24) hours prior to the convening of the meeting.

(c) By causing a copy of the Meeting Notice to be posted on the Utah Public Notice Website at least 24 hours prior to the convening of the meeting.

(d) By causing notice of the Meeting to be personally provided to each and every member of the County Commission at least 24 hours prior to the convening of the Meeting.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this May 16, 2018.



County Clerk/Auditor

( COUNTY S E A L )

EXHIBIT A

LEASE

[See Transcript Document No. \_\_]

EXHIBIT B

GROUND LEASES

[See Transcript Document Nos. \_\_ & \_\_]

EXHIBIT C

MASTER RESOLUTION

[See Transcript Document No. \_\_]

EXHIBIT D

SECURITY DOCUMENTS

[See Transcript Document Nos. \_\_ & \_\_]

*[Attach "Meeting Notices"]*

4816-5409-1616, v.1