

**SAN JUAN COUNTY, UTAH
BOARD OF COUNTY COMMISSIONERS**

**AUTHORIZING RESOLUTION
LEASE REVENUE BONDS, SERIES 2024
MAY 21, 2024**

RESOLUTION NO. 2024-09

A RESOLUTION AUTHORIZING AN ANNUALLY RENEWABLE LEASE AGREEMENT; AUTHORIZING THE ISSUANCE AND SALE BY THE LOCAL BUILDING AUTHORITY OF SAN JUAN COUNTY, UTAH OF ITS \$21,366,000 LEASE REVENUE BONDS, SERIES 2024 TO FINANCE THE ACQUISITION AND CONSTRUCTION OF A PUBLIC SAFETY BUILDING REMODEL AND EXPANSION; AND RELATED MATTERS.

WHEREAS, San Juan 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 San Juan County, Utah (the “Authority”) pursuant to the provisions of a Resolution (the “Creating Resolution”); and

WHEREAS, pursuant to the direction of the Board of 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 (collectively, the “Act”); 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 County desires to lease, as lessee, on an annually renewable basis, the Public Safety Building Remodel and Expansion and related improvements (the “Project”); and

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

WHEREAS, the Project is to be leased to the County, as lessee, on an annually renewable basis by the Authority, as lessor, pursuant to the terms and provisions of that certain Lease Agreement, to be dated as of the first day of the month in the month in which the Series 2024 Bonds are issued, in substantially the form presented to this meeting and attached hereto as Exhibit A (the “Lease”) and herein authorized and approved; and

WHEREAS, the Authority desires to lease, as lessee, the real property upon which the Project will be constructed from the County, as lessor, pursuant to the terms and provisions of that certain Ground Lease Agreement (the “Ground Lease”) dated as of the first day of the month in the month in which the Series 2024 Bonds are issued, in substantially the form presented to this meeting and attached hereto as Exhibit B herein authorized and approved; and

WHEREAS, the estimated costs of construction of the Project, including a certificate of the engineer/architect setting forth the estimated useful life of the Project have been submitted to the County; and

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

WHEREAS, the Authority proposes to finance, in part, the costs of acquiring and constructing the Project, by issuing its \$21,366,000 Lease Revenue Bonds, Series 2024 (the “Series 2024 Bonds”), to bear interest at a rate of 2.0% annum, pursuant to the terms and provisions of a Master Resolution dated as of the first day of the month in the month in which the Series 2024 Bonds are issued, in substantially the form presented to this meeting and attached hereto as Exhibit C (the “Master Resolution”) and herein authorized and approved; and

WHEREAS, the Authority proposes to issue the Series 2024 Bonds pursuant to the Master Resolution, and to secure its payment obligations under the Series 2024 Bonds by executing a Leasehold Deed of Trust, Assignment of Rents and Security Agreement and Assignment of Ground Lease with respect to the Project in substantially the forms presented to this meeting and attached hereto as Exhibit D (collectively, the “Security Documents”) for the benefit of the holders of the Series 2024 Bonds; and

WHEREAS, the Authority shall adopt a resolution (the “Authorizing Resolution”) which authorizes and approves the execution of the Lease, the issuance and sale by the Authority of its Series 2024 Bonds, the execution of the Master Resolution, the Ground Lease, Security Documents and other documents required in connection therewith, and the financing of the acquisition and construction of the Project; and

WHEREAS, the Series 2024 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 constitute a charge against its general credit or taxing powers; and

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

WHEREAS, the State of Utah Permanent Community Impact Fund Board (the “Purchaser”) has offered to purchase the Series 2024 Bonds and the Authority desires to sell the Series 2024 Bonds to 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 Board of 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 2024 Bonds and the Security Documents; and

WHEREAS, the Chair and other officials of the County have presented the Lease to the Board of County Commissioners for the purpose of obtaining the approval of the Board of County Commissioners of the terms and provisions thereof and for the purpose of confirming the execution thereof as the official act of the Board of County Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SAN JUAN COUNTY, UTAH AS FOLLOWS:

Section 1. All action heretofore taken (not inconsistent with the provisions of this Resolution or the Creating Resolution) by the Board of County Commissioners and by the officials 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 in the form presented to this meeting and attached hereto as Exhibit B 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 Ground Lease in the form and with substantially the same content as set forth in Exhibit B for and on behalf of the County. 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 form and with substantially the same content as set forth in Exhibit B for and on behalf of the Authority.

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

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

Section 5. The Authority is authorized to issue the Series 2024 Bonds in the aggregate principal amount of \$21,366,000, to bear interest at the rate of 2.0% per annum. The Bonds shall be dated, shall bear 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 2024 Bonds to the Purchaser.

The form, terms and provisions of the Series 2024 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 2024 Bonds shall mature prior to the expiration of the estimated useful life of the Project. The Chair of the Authority is hereby authorized to execute the Bonds, to place thereon the seal of the Authority, and to deliver the Series 2024 Bonds to the Purchaser. The Secretary of the Authority is authorized to attest to the signature of such Chair and to affix the seal of the Authority to the Series 2024 Bonds and to authenticate the Series 2024 Bonds. The signatures of the Chair and of the Secretary of the Authority may be by facsimile or manual execution.

Section 6. The appropriate officials 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 2024 Bonds.

Section 7. Upon their issuance, the Series 2024 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 2024 Bonds, Security Documents, the Ground Lease, and the Master Resolution. No provision of this Resolution, the Lease, the Ground Lease, the Master Resolution, the Series 2024 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 2024 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. The Authority has no taxing powers.

Section 8. 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 9. 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 10. 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 11. 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. 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 12. 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 2024 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 13. 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 14. This Resolution shall become effective immediately upon adoption by the Board of County Commissioners.

PASSED BY THE BOARD OF COUNTY COMMISSIONERS OF SAN JUAN COUNTY, UTAH THIS MAY 21, 2024.



Chair

ATTEST AND COUNTERSIGN:



County Clerk/Auditor

(SEAL)

RECORD OF PROCEEDINGS

The Board of County Commissioners met in public session at the regular meeting place of the Board in San Juan, Utah, on May 21, 2024 (the "Meeting"), at the hour of 11:00 a.m. with the following members of the Board being present:

Jamie Harvey	Chair/Commissioner
Bruce Adams	Commissioner
Sylvia Stubbs	Commissioner/Vice Chair

Also present:

Lyman W. Duncan	County Clerk/Auditor
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Absent:

which constituted all the members thereof.

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

A motion to adopt the Resolution was then duly made by Commissioner Adams and seconded by Commissioner Stubbs, and the Resolution was put to a vote and carried, the vote being as follows:

Those voting YEA: Bruce Adams, Sylvia Stubbs and Jamie Harvey

Those voting NAY:

Those Abstaining:

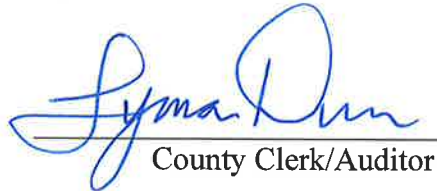
Other business not pertinent to the Resolution appears in the minutes of the Meeting. Upon the conclusion of all business on the Agenda and motion duly made and carried, the Meeting was adjourned.

CERTIFICATE OF COUNTY CLERK/AUDITOR

I, Lyman W. Duncan, the duly appointed and qualified County Clerk/Auditor of the County do hereby certify that the attached Resolution is a true, accurate and complete copy thereof as adopted by the Board at a public meeting duly held on May 21, 2024 (the "Meeting"). The Meeting was called and noticed as required by law as is evidenced by the attached 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 21, 2024 and is officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of the County, this May 21, 2024.

(SEAL)


County Clerk/Auditor

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW


I, Lyman W. Duncan, the undersigned County Clerk/Auditor of 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 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than 24 hours public notice of the agenda, date, time and place of the May 21, 2024, public meeting held by the County as follows:

(a) By causing a Meeting Notice, in the form attached, to be posted at the principal office of the County at least 24 hours prior to the convening of the meeting, the Meeting 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 posted on the County website at least 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.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this May 21, 2024.



County Clerk/Auditor

(S E A L)

(Attach Meeting Notice, including proof of posting thereof on the
Utah Public Notice Website and on County website)

EXHIBIT A

LEASE

(See Transcript Document No. __)

EXHIBIT B

GROUND LEASE

(See Transcript Document No. __)

EXHIBIT C

MASTER RESOLUTION

(See Transcript Document No. __)

EXHIBIT D

SECURITY DOCUMENT

(See Transcript Document No. __)