

**BYLAWS
OF THE
MUNICIPAL BUILDING AUTHORITY OF DUCHESNE SCHOOL DISTRICT, UTAH**

THESE BYLAWS have been adopted for the regulation and management of the affairs of the Municipal Building Authority of Duchesne School District, Utah (the “*Authority*”), subject to the provisions of its Articles of Incorporation and the laws of the State of Utah (the “*State*”), at a meeting of the Board of Directors (the “*Board of Directors*”) of the Authority held in Roosevelt, Utah, on April 28, 2022, duly called for that purpose.

ARTICLE I

PROPERTY INTEREST AND NON-LIABILITY OF DIRECTORS AND OFFICERS

Section 1.1. Character and Property Interest. The Authority is organized and shall operate as a nonprofit corporation that does not distribute any part of its income to its directors or officers, a limited purpose entity and a public entity and instrumentality of the State. No director or officer of the Authority shall have any right, title or interest in or to any property, assets or income of the Authority either prior to or at the time of the dissolution of the Authority, all of which properties, assets and income shall at the time of dissolution be transferred to the Board of Education (the “*Board of Education*”) of Duchesne County School District (the “*District*”), Utah, as provided in the Articles of Incorporation of the Authority. The property, assets and income of the Authority shall not inure to the benefit of any private person or private corporation. No earnings of the Authority may inure to the benefit of anyone other than the Board of Education.

Section 1.2. Non-Liability. No member of the Board of Directors or officer of the Authority shall be individually liable upon any indebtedness or liability incurred by the Authority.

Section 1.3. Activities. The Authority shall engage only in activities that are essentially public in character and that are consistent with the purposes for which the Authority was organized as provided in its Articles of Incorporation.

ARTICLE II

MEETINGS

Section 2.1. Regular Meetings. The Board of Directors may provide for the holding of regular meetings of the Board of Directors, following such notice to the directors and to the public as may be required by Section 2.3 hereof, at the regular meeting place of the Board of Education as shall be designated in the notice of the meeting. Any regular meeting of the Board of Directors may be held on the same or a different day as the day on which regular meetings of the Board of Education are held.

Section 2.2. Special Meetings. Special meetings of the Board of Directors may be called upon a written order signed by any four directors or by the President of the Authority, and it shall

thereupon be the duty of the Secretary of the Authority to cause notice of such meeting to be given as provided in Section 2.3 hereof. Any special meeting of the Board of Directors may be held at any place specified in the notice of such special meeting that is lawful for the holding of special meetings of the Board of Education.

Section 2.3. Notice. Notice to the directors of any regular or special meeting of the Board of Directors of the Authority shall be given by the Secretary in the same manner and at the same time as notice of any regular or special meeting, respectively, of the Board of Education is required by law to be given to members of the Board of Education. The Secretary of the Authority shall cause notice to be given to the public of any such meeting as required by law, including, but not limited to, any such notice as may be required by the Utah Open and Public Meetings Act (Title 52, Chapter 4, Utah Code Annotated 1953, as amended), as amended or supplemented from time to time.

Section 2.4. Waiver of Notice. By signing a written waiver, any director may waive any notice of a meeting required to be given by these Bylaws or any other notices required to be given to such director under the provisions of the Utah Revised Nonprofit Corporation Act or the Local Building Authority Act (Title 17D, Chapter 2, Utah Code Annotated 1953, as amended) or under the provisions of the Articles of Incorporation of the Authority or these Bylaws. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the waiver of notice of such meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting by such director, except where such director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting has not been lawfully called or convened.

Section 2.5. Quorum. Three directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors; *provided, however,* that in the event of the increase or decrease in the number of directors pursuant to Section 3.2 hereof, a majority of the number of directors so determined shall constitute a quorum for the transaction of business at any meeting of the Board of Directors held thereafter. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors; *provided, however,* that the minimum number of yes votes required to pass any resolution or to take any action by the Board of Directors shall never be less than two. If less than a quorum is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 2.6. Voting. Each director shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the Board of Directors.

ARTICLE III

DIRECTORS

Section 3.1. General Powers. The affairs of the Authority shall be managed by its Board of Directors, which shall exercise all of the powers of the Authority.

Section 3.2. Number, Appointment, Tenure of Office and Removal. The number of directors of the Authority shall be five (5); *provided* that the number of directors of the Authority shall be increased or decreased automatically and without any further action of the Board of Directors of the Authority or of the Board of Education (including, but not limited to, any action to amend these Bylaws or the Articles of Incorporation of the Authority) to equal the number of members of the Board of Education at any time as the number of the members of the Board of Education shall be increased or decreased as provided by law. The members of the Board of Education shall act as the members of the Board of Directors of the Authority and, upon taking office as members of the Board of Education, shall be considered as appointed to the Board of Directors of the Authority. The term of office of each director shall be the period during which such director serves as a member of the Board of Education. Each director shall hold office for the term for which he or she is appointed and until his or her successor shall have been appointed and qualified or until his or her earlier death, resignation or removal from office. No director shall take office unless and until he or she is a duly elected or appointed member of the Board of Education. Any director who ceases to be a member of the Board of Education shall simultaneously cease to be a director. To the extent provided by law, members of the Board of Directors may be removed and replaced by the Board of Education at any time in its discretion, upon the filing with the Secretary of the Authority of a certified copy of a resolution directing such removal and replacement adopted by the Board of Education, a copy of which resolution shall be recorded in the corporate records of the Authority; *provided, however*, that only a member of the Board of Education may be appointed to replace any director so removed.

Section 3.3. Vacancies. Any vacancy occurring in the Board of Directors, including any directorship to be filled by reason of an increase in the number of directors as provided in Section 3.2 hereof, shall be filled by the member of the Board of Education who has succeeded or been appointed to a position as a member of the Board of Education as a result of a vacancy on the Board of Education or as a result of the increase in the number of members of the Board of Education, such appointment as a director to be effective upon such successor taking office as a member of the Board of Education. Any such vacancy in the Board of Directors shall remain unfilled until the election or appointment of a new member to the Board of Education who shall be considered as appointed to the Board of Directors in the manner provided in Section 3.2 hereof.

Section 3.4. Compensation. Neither directors nor officers shall receive any salary for their services rendered to the Authority except that, by resolution of the Board of Directors, actual expenses of attendance, if any, may be allowed for attendance at meetings of the Board of Directors. No director or officer shall receive compensation for serving the Authority in any other capacity, nor shall any close relative (as hereinafter defined) of a director or officer receive compensation for serving the Authority. The term "*close relative*" as used herein shall mean any brother or sister of any director or officer, the forebears and descendants of a director or officer or of any such brother or sister, and any spouse of a director or officer or any aforesaid person.

Section 3.5. Accounting and Audits. The Board of Directors shall establish and maintain an appropriate accounting system. Pursuant to the Title 17B, Chapter 1, Part 6, Fiscal Procedures for Local Districts, Utah Code Annotated 1953, as amended (the "*Fiscal Procedures Act*"), the Secretary/Clerk shall prepare and present to the Board of Directors detailed quarterly financial reports of the Authority. A complete independent audit shall be made of the Authority's accounts,

books and financial condition within 180 days after the close of each fiscal year, and a report thereon shall be submitted to the Board of Education and shall be filed with the state auditor and as a public document in the Authority's office, all as required by the Fiscal Procedures Act. The Board of Directors shall appoint an independent auditor to perform such annual audits.

ARTICLE IV

OFFICERS

Section 4.1. Number. The officers of the Authority shall be a President, Vice President, Secretary/Treasurer, Budget Officer, and such other officers as may be determined by the Board of Directors from time to time to perform such duties as may be designated by resolution of the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary/Treasurer and the offices of President and Vice President. The President and Vice President shall be members of the Board of Directors, but none of the other officers need be members of the Board of Directors unless otherwise required by law.

Section 4.2 Selection of Officers and Term of Office. (a) The President and Vice President of the Board of Education shall act as the President and Vice President of the Board of Directors and, without any further action of the Board of Directors, upon taking office as President and Vice President of the Board of Education shall be considered as elected as President and Vice President, respectively, of the Board of Directors.

(b) The Business Administrator of the District shall act as the Secretary/Treasurer of the Authority and, without any further action of the Board of Directors, upon being appointed as Business Administrator of the District, shall be considered as elected as Secretary/Treasurer of the Authority. In the absence or unavailability of the Business Administrator, the Accounting Director may act as the Secretary/Treasurer of the Authority in the Business Administrator's stead. Unless otherwise elected by the Board of Directors, the Secretary/Treasurer shall act the Budget Officer of the Authority

(c) All other officers, if any, shall be elected by the Board of Directors at a meeting called for such purpose from time to time as a vacancy occurs in any office.

(d) Each officer shall, so long as he or she qualifies for such position, hold office until his or her successor shall have been duly elected and qualified or until he or she is removed as provided in Section 4.3 hereof.

Section 4.3. Removal of Officers and Agents by Board of Directors. Any officer or agent of the Authority may be removed by the Board of Directors whenever in its judgment the best interests of the Authority will be served thereby.

Section 4.4. President. The President:

(a) shall be the principal executive officer of the Authority and, unless otherwise determined by the Board of Directors, shall preside at all meetings of the Board of Directors;

(b) may sign any deeds, mortgages, deeds of trust, notes, bonds, contracts, leases, assignments or other instruments authorized by the Board of Directors to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Authority, or shall be required by law to be otherwise signed or executed; and

(c) shall in general perform all duties incident to the office of President and such other duties as from time to time may be assigned to him or her by the Board of Directors.

Section 4.5. Vice President. In the absence of the President, or in the event of his or her inability or refusal to act, the Vice President shall perform the duties of the President, and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President shall also perform such other duties as from time to time may be assigned to him or her by the Board of Directors.

Section 4.6. Secretary/Treasurer. The Secretary/Treasurer shall:

(a) keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose;

(b) see that all notices are duly given in accordance with these Bylaws or as required by law;

(c) be custodian of the corporate records and of the seal of the Authority and affix the seal of the Authority to documents, the execution of which on behalf of the Authority under its seal is duly authorized in accordance with the provisions of these Bylaws;

(d) keep a register of the names and post office addresses of all members of the Board of Directors;

(e) have general charge of the books of the Authority;

(f) keep on file at all times a complete copy of the Articles of Incorporation and Bylaws of the Authority containing all amendments thereto (which copy shall always be open to the inspection of any director) and, at the expense of the Authority, forward a copy of the Bylaws and of all amendments thereto to each member of the Board of Directors upon request;

(g) keep as permanent records any records so required to be kept by Section 16-6a-160, Utah Code Annotated 1953, as amended, and by the Fiscal Procedures Act;

(h) have charge and custody of and be responsible for all funds and securities of the Authority;

(i) be responsible for the receipt of, and the issuance of receipts for, all moneys due and payable to the Authority and for the deposit of all such moneys in the name of the Authority in such banks, trust companies or depositaries as shall be selected in accordance with the provisions of these Bylaws; and

(j) in general perform all duties incident to the office of Secretary/Treasurer and such other duties as from time to time may be assigned to him or her by the Board of Directors.

Section 4.8. Budget Officer. The Budget Officer shall perform all duties assigned to the Budget Officer in the Fiscal Procedures Act, together with all duties incident to the office of Budget Officer and such other duties as from time to time may be assigned to him or her by the Board of Directors.

Section 4.9. Powers, Duties and Compensation. The powers, duties and compensation of officers, agents and employees (other than those expressly hereinabove provided for the officers of the Authority in this Article IV) shall be fixed by resolution of the Board of Directors, subject to the provisions of these Bylaws with respect to compensation for directors and officers and close relatives of directors and officers as provided in Section 3.4 hereof.

Section 4.10. Bonds of Officers. The Secretary/Treasurer and any other officer or agent of the Authority charged with responsibility for the custody of any of its funds or property shall give bond in such sum and with such surety as the Board of Directors shall determine or as may otherwise be required by law; *provided* that the requirement for such bond may be satisfied under any existing fidelity bond carried by the Board of Education that would apply to the Business Administrator or any other such officer or agent of the Authority. The Board of Directors in its discretion may also require any other officer, agent or employee of the Authority to give bond in such amount and with such surety as the Board of Directors shall determine.

ARTICLE V

NONPROFIT OPERATION

The Authority shall at all times be operated on a nonprofit basis. No dividend shall be paid or payable by the Authority, and no part of the income of the Authority shall be distributed by the Authority, to any director or officer of the Authority.

ARTICLE VI

ACCOMPLISHMENT OF PURPOSE

The Authority is also a limited purpose entity, a public entity and an instrumentality of the State of Utah performing essential governmental functions on behalf of the Board of Education, and has been organized solely for the purpose of accomplishing the public purposes for which the Board of Education exists by acquiring, improving or extending any improvement, facility, property or appurtenance to property that the Board of Education is permitted under law to own or acquire, including, but not limited to, a public building or other structure of any kind or a joint or partial interest in the same, which improvement, facility, property or appurtenance may be located inside or outside the boundaries of the District, and financing the costs of any such improvement, facility, property or appurtenance on behalf of the Board of Education. To fulfill its purpose, the Authority intends to issue its bonds, notes or other evidences of indebtedness (collectively, the “*Bonds*”) to acquire funds to pay the costs of acquiring, improving or extending any such improvement, facility, property or appurtenance to property and to pay all costs incidental thereto to the extent permitted by law. Upon payment in full of all Bonds issued to acquire, improve or extend a particular project, title to such project shall vest in the Board of Education as provided by law, and the Authority shall forthwith tender by gift, or otherwise transfer, as provided by law, all of the Authority’s right, title and interest in and to such project to the Board of Education.

ARTICLE VII

DISSOLUTION

Section 7.1. Voluntary Dissolution. (a) Subject to the limitations hereinafter provided, the Authority shall be dissolved upon the affirmative vote of a majority of the members of the Board of Directors voting upon a motion to dissolve, at a regular or special meeting of the Board of Directors, in the manner provided by law; *provided, however*, that no such vote shall take effect, and no dissolution of the Authority shall occur, until the filing with the Secretary/Treasurer of the Authority of a certified copy of a resolution ordering such dissolution adopted by the Board of Education, a copy of which resolution shall be recorded in the corporate records of the Authority. The dissolution must be done in accordance with applicable law, including the Utah Revised Nonprofit Corporation Act and the Local Building Authority Act, each as amended.

(b) The Authority may not be dissolved unless all outstanding Bonds and other obligations of the Authority are paid in full as to principal, interest and redemption premiums, if any, or unless provision for the payment of the same when due has been made.

Section 7.2. Distribution of Assets. Upon the dissolution of the Authority, title to each “*project*” (as such term is defined in Section 17D-2-102(9), Utah Code Annotated 1953, as amended) of the Authority shall vest in the Board of Education, and all assets and net earnings of the Authority remaining after payment or provision has been made for the payment of all outstanding Bonds and obligations of the Authority, shall be transferred to the Board of Education.

ARTICLE VIII

FINANCIAL TRANSACTIONS

Section 8.1. Contracts. Except as otherwise provided by these Bylaws, the Board of Directors may authorize any officer or officers or agent or agents of the Authority to enter into any contract or execute and deliver any instrument in the name and on behalf of the Authority, and such authority may be general or confined to specific instances.

Section 8.2. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money and all notes, bonds or other evidences of indebtedness issued in the name of the Authority shall be prepared by the Secretary/Treasurer or other personnel of the Board of Education (who do not perform treasurer duties for the Authority) who routinely prepare checks as part of their duties for the Board of Education and shall be signed by the Secretary/Treasurer or such other officer or officers or agent or agents of the Authority and in such manner as shall from time to time be determined by resolution of the Board of Directors and in accordance with the Fiscal Procedures Act.

Section 8.3. Deposits. All funds of the Authority not otherwise employed shall be deposited from time to time to the credit of the Authority in such banks, trust companies or other depositaries as the Board of Directors may select or as may otherwise be required by law.

Section 8.4. Form and Execution of Bonds. The Bonds issued by the Authority shall be in such form as may be approved by the Board of Directors, shall be executed in the name and on behalf of the Authority by such officer or officers of the Authority as shall be designated by the Board of Directors and under the corporate seal of the Authority, and shall be issued in compliance with the terms and conditions, and subject to the limitations, provided in the Local Building Authority Act, as amended from time to time, including, but not limited to, the requirement that no Bonds may be issued by the Authority unless the issuance of the Bonds and the terms of the Bonds have been approved by the Board of Education, and in compliance with the terms and conditions provided in the proceedings authorizing the issuance of the Bonds.

Section 8.5. Fiscal Procedures Act. The Authority shall comply with all applicable provisions of the Fiscal Procedures Act. The Board of Directors shall approve all expenditures of the Authority, but the Secretary/Treasurer may act as the Authority's financial officer for the purpose of approving any payroll checks and any routine expenditures of the Authority. Such Board of Directors approval shall be deemed given if the expenditure is within the limits authorized by the Board of Directors in the adopted budget of the Authority. At least quarterly the Board of Directors shall review all expenditures authorized by the financial officer.

ARTICLE IX

INDEMNIFICATION OF DIRECTORS AND OFFICERS

To the extent allowed by the Articles of Incorporation and law, each director and officer of the Authority, whether or not then in office, and his or her personal representatives, shall be

indemnified by the Authority against all expenses actually and necessarily incurred by him or her in connection with the defense of any action, suit or proceeding in which he or she was made a party by reason of being or having been such director or officer, if a) the director or officer's conduct was in good faith; b) the director or officer reasonably believed that his or her conduct was in, or not opposed to, the Authority's best interests; and c) in the case of any criminal proceeding, the director or officer had no reasonable cause to believe his or her conduct was unlawful. The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the director or officer did not meet the standard of conduct described above. To the extent permitted by law, each director, officer, employee or agent of the Authority shall have all rights provided to employees in the Governmental Immunity Act of Utah, Title 63G, Chapter 7, Utah Code Annotated 1953, as amended, and in Title 63G, Chapter 8, Utah Code Annotated 1953, as amended.

ARTICLE X

AMENDMENT

These Bylaws may be altered, amended or repealed by the affirmative vote of a majority of the directors present at any regular or special meeting, *provided* a quorum as provided in these Bylaws be present and *provided* the waiver or notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal. Notwithstanding the foregoing, no such alteration, amendment or repeal of any or all of these Bylaws shall take effect until a certified copy of a resolution or other proceeding approving such alteration, amendment or repeal adopted by the Board shall have been filed with the Secretary/Treasurer of the Authority.

ARTICLE XI

MISCELLANEOUS

Section 11.1. Fiscal Year. The fiscal year of the Authority shall be the same as the annual accounting period of the Board of Education as from time to time in effect, being initially a period commencing on July 1 of each calendar year and ending on the next succeeding June 30.

Section 11.2. Rules and Regulations. The Board of Directors shall have the power to make and adopt such rules and regulations, not inconsistent with law, the Articles of Incorporation of the Authority or these Bylaws, as it may deem advisable for the regulation and management of the affairs of the Authority.

Section 11.3. Office and Principal Place of Business. The office and principal place of business of the Authority shall be located at 1010 East 200 North in Roosevelt, Utah, unless and until changed by the Board of Directors with the appropriate written notices being given.

I hereby certify that the foregoing is a full, true and correct copy of the Bylaws of the Municipal Building Authority of Duchesne School District, Utah, a Utah nonprofit corporation, adopted by the Board of Directors of the Authority on the 28th day of April, 2022.

Secretary/Treasurer