

A RESOLUTION EXPRESSING INTENT TO ISSUE LEASE REVENUE BONDS BY THE MUNICIPAL BUILDING AUTHORITY OF DUCHESNE COUNTY SCHOOL DISTRICT, UTAH AND PROVIDING FOR A PUBLIC HEARING RELATING TO THE BONDS.

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WHEREAS, the Municipal Building Authority of Duchesne ~~County~~ School District, Utah (the “*Issuer*”) has been duly organized by the Board of Education (the “*Board of Education*”) of Duchesne County School District, Utah (the “*District*”) solely for the purpose of (a) accomplishing the public purposes for which the Board of Education and the District exist by acquiring, improving or extending any improvements, facilities or properties (whether real or personal) and appurtenances to them which the Board of Education and the District are authorized or permitted by law to acquire, including, but not limited to, public buildings or other structures of every nature or any joint or partial interest in the same, and (b) financing the costs of such projects on behalf of the Board of Education and the District in accordance with the procedures and subject to the limitations of the Municipal Building Authority Act, Title 17D, Chapter 2 (the “*Act*”) of the Utah Code Annotated 1953, as amended (the “*Utah Code*”) and other applicable Utah law;

WHEREAS, the Act provides that the Issuer may issue and sell its bonds for the purpose of paying the costs of acquiring, improving or extending a project (as such term is defined in the Act), and such bonds shall be secured by a pledge and assignment of the revenues received by the Issuer under the leasing contract (as such term is defined in the Act) with respect to the project financed or refinanced with the proceeds of the sale of such bonds and may be secured by (a) a mortgage (as defined in the Act) covering all or any part of such project, (b) a pledge and assignment of the leasing contract for that project, (c) amounts held in reserve funds or (d) such other security devices with respect to the project as may be deemed most advantageous by the Issuer; and

WHEREAS, the Board of Education desires the Issuer to undertake the construction of a certain project pursuant to the Act consisting of the acquisition, construction and improvement of a new elementary school to replace Altamont Elementary (the “*Project*”); and

WHEREAS, pursuant to and in accordance with the provisions of the Act, the Board of Education is considering the issuance of Municipal Building Authority of Duchesne ~~County~~ School District, Utah Lease Revenue Bonds (the “*Bonds*”) for the purpose of (i) financing the cost of the acquisition and construction of the Project and (ii) paying costs of issuance relating to the issuance, sale and delivery of the Bonds; and

WHEREAS, the Utah Code requires that a public hearing be held to receive input from the public with respect to the issuance of the Bonds and the Project will have on the private sector and that notice of such public hearing be given as provided by law, and the Board of Education desires to cause the publication of such a notice;

NOW, THEREFORE, Be It Resolved by the Board of Education of Duchesne County School District, Duchesne County, Utah, as follows:

Section 1. Potential Issuance of the Bonds. For the purposes enumerated in the preamble to this Resolution, the Board of Education hereby expresses its intent to issue the Bonds by the Issuer in an estimated amount of \$26,000,000.

Section 2. In satisfaction of the requirements of the Utah Code, a public hearing shall be held by the Board of Education to receive input from the public with respect to the issuance by the Issuer of the Bonds and the Project.

Section 3. The Business Administrator shall publish or cause to be published the Notice of Intent to Issue Lease Revenue Bonds and Public Hearing as required by law in substantially the form attached hereto as *Exhibit A*.

Section 4. Limited Obligations. The Bonds are not general obligations of the Issuer but are limited obligations and, except for the security provided by the Indenture of Trust for the Bonds (the “*Indenture*”) and the Master Lease Agreement relating to the Bonds and the Project (the “*Lease*”), pursuant to Section 17D-2-504 of the Act, are payable solely out of Base Rentals (as defined in the Indenture) received under the Lease and certain other amounts received under the Indenture. Nothing in this Resolution, the Indenture or the Bonds shall be construed as requiring the State of Utah or any political subdivision of the State of Utah to pay any of the Bonds or to pay any of the premium (if any) or interest thereon or to appropriate any money to pay the same. Neither the full faith and credit nor the taxing powers of the State of Utah or any political subdivision of such State, including the Board of Education, is pledged to the payment of the principal of, or premium, if any, or interest on, the Bonds or other costs appertaining thereto. The Bonds and the interest and premium, if any, thereon do not now and shall never constitute an indebtedness of the Issuer, the Board of Education, the State of Utah or any political subdivision of such State within the meaning of any State constitutional provision or limitation nor give rise to or be a general obligation or liability of nor a charge against the general credit or taxing powers of the State of Utah or any political subdivision of the State of Utah. No breach of any covenant or agreement in the Indenture or the Lease shall impose any general obligation or liability upon, nor a charge against, the Board of Education or the general credit or taxing power of the State of Utah or any of its political subdivisions. THE OBLIGATION OF THE BOARD OF EDUCATION TO PAY BASE RENTALS AND OTHER AMOUNTS UNDER THE LEASE IS ANNUALLY RENEWABLE AS PROVIDED THEREIN. THE OBLIGATION OF THE BOARD OF EDUCATION TO MAKE SUCH PAYMENTS WILL NOT CONSTITUTE A DEBT OF THE BOARD OF EDUCATION, THE STATE OF UTAH OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER THE ISSUANCE OF THE BONDS NOR THE EXECUTION AND DELIVERY OF THE LEASE DIRECTLY OR CONTINGENTLY OBLIGATE THE BOARD OF EDUCATION TO APPROPRIATE ANY MONEY TO PAY ANY RENTALS UNDER THE LEASE OR TO PAY ANY RENTALS BEYOND THOSE APPROPRIATED FOR THE BOARD OF EDUCATION’S THEN CURRENT FISCAL YEAR OR OBLIGATE THE STATE OF UTAH OR ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE BOARD OF EDUCATION TO THE EXTENT PROVIDED IN THE LEASE) TO PAY ANY RENTALS DUE TO THE ISSUER UNDER THE TERMS OF THE LEASE. NO PERSON EXECUTING THE BONDS OR THE LEASE SHALL BE SUBJECT TO PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS OR THE EXECUTION OF THE LEASE.

Section 5. Filing of Resolution. The Business Administrator is hereby authorized and directed to file a certified copy of this Resolution in the records of the Issuer promptly following the adoption hereof.

Section 6. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. Conflicting Resolutions. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 8. Effective Date. This Resolution shall be effective immediately upon its approval and adoption.

ADOPTED AND APPROVED this January 7, 2025.

BOARD OF EDUCATION OF DUCHESNE COUNTY
SCHOOL DISTRICT, DUCHESNE COUNTY, UTAH

By _____
President

ATTEST AND COUNTERSIGN:

By _____
Business Administrator

EXHIBIT A

NOTICE OF INTENT TO ISSUE LEASE REVENUE
BONDS AND PUBLIC HEARING
MUNICIPAL BUILDING AUTHORITY OF DUCHESNE
~~COUNTY~~ SCHOOL DISTRICT, UTAH

PUBLIC NOTICE IS HEREBY GIVEN that the Municipal Building Authority of Duchesne ~~County~~ School District, Utah (the “*Authority*”) intends to issue lease revenue bonds (the “*Bonds*”) in an estimated aggregate principal amount of \$26,000,000 and to mature in not more than 21 years from their date or dates. The Board of Trustees of the Authority (the “*Board*”) and the Board of Education of Duchesne County School District, Utah (the “*Lessee*” or “*Board of Education*”) will consider resolutions providing for the issuance of the Bonds at meetings that begin at approximately 7:00 p.m. on February 6, 2025, at Duchesne High School, 155 W Main St, Duchesne, UT 84021.

The Authority intends to issue the Bonds for the purpose of (1) paying the costs incurred in connection with the issuance and sale of the Bonds and (2) financing all or a portion of the costs of the acquisition, construction and improvement of a new elementary school to replace Altamont Elementary (the “*Project*”). The estimated annual amount that the Authority will be required to pay in principal and interest on the Bonds is \$_____.

The Bonds are expected to be issued and sold by the Authority as lease revenue bonds pursuant to an Indenture of Trust (the “*Indenture*”), a Master Lease Agreement (the “*Lease*”) between the Authority and the Lessee and a Ground Lease (the “*Ground Lease*”) between the Authority and the Lessee. The expected annual amount of lease payments that the Lessee will pay under the Lease is \$_____.

This proposed lease revenue bond commits money from future property tax and income tax revenue allocated to the school district. Additionally, a lease revenue bond generally has a higher interest cost than a voter-approved general obligation bond.

The Board of Education and the Board will hold public hearings to (a) explain the reasons for the issuance of the Bonds, (b) provide members of the public an opportunity to present testimony on the proposed issuance of the Bonds and (c) receive input from the public with respect to the issuance of the Bonds and the Project during meetings that begin at approximately 7:00 p.m. on February 6, 2025. The public hearings will be held at Duchesne High School, 155 W Main St, Duchesne, UT 84021. All members of the public are invited to attend and participate in the public hearings. Prior to the public hearings, written comments may be submitted to the Authority, to the attention of the Business Administrator, 1010 E. 200 N., Roosevelt, Utah 84066.

DATED January 7, 2025.

MUNICIPAL BUILDING AUTHORITY OF DUCHESNE ~~COUNTY~~ SCHOOL DISTRICT, UTAH and
BOARD OF EDUCATION OF DUCHESNE COUNTY SCHOOL DISTRICT, UTAH