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PARK COUNTY, COLORADO

RESOLUTION NO. 2016-55

A RESOLUTION AUTHORIZING A LEASE PURCHASE TRANSACTION FOR THE PURPOSE OF FINANCING THE ACQUISITION AND CONSTRUCTION OF THE SECOND PHASE OF THE COUNTY'S ADMINISTRATION BUILDING, AND IN CONNECTION THEREWITH, AUTHORIZING THE EXECUTION AND DELIVERY OF A SITE LEASE BETWEEN PARK COUNTY, AS LESSOR, AND UMB BANK, N.A., AS LESSEE, A LEASE PURCHASE AGREEMENT BETWEEN THE COUNTY, AS LESSEE, AND UMB BANK, N.A., AS LESSOR AND OTHER RELATED DOCUMENTS; AUTHORIZING OFFICIALS OF THE COUNTY TO TAKE ALL ACTION NECESSARY TO CARRY OUT THE TRANSACTIONS CONTEMPLATED HEREBY; AND PROVIDING FOR RELATED MATTERS

WHEREAS, Park County (the "County") is a duly and regularly created, organized and existing body corporate and politic of the State of Colorado (the "State"), existing as such under the Constitution and statutes of the State; and

WHEREAS, the County is authorized by Section 30-11-101(b) and (c), Colorado Revised Statutes, as amended, to purchase and hold real and personal property and to lease the same, either as lessee or lessor; and

WHEREAS, the County is authorized by Section 30-11-104.1, Colorado Revised Statutes, as amended, to provide for financing county buildings or equipment for any governmental purpose, including the second phase of the acquisition, design, construction and expansion of a building currently owned by the County for use as its Administration Building through one or more lease purchase agreements; and

WHEREAS, the Board of County Commissioners of the County (the "Board") desires to finance the acquisition, design and construction of certain facilities to be used as a part of the County's Administration Building Complex (the "Project"); and

WHEREAS, the County is the owner of the fee simple interest in the real property and improvements described in Exhibit A to the Site Lease (defined below) (the "Leased Property"); and

WHEREAS, in order to finance the costs of the Project, the Board desires to demise to UMB Bank, n.a., as trustee (the "Trustee") under the Indenture (defined below), pursuant to that certain Site Lease to be dated as of December 1, 2016 (the "Site Lease") between the County, as lessor, and the Trustee, as lessee, a leasehold interest in the Leased Property and to sublease the Leased Property back from the Trustee pursuant to that certain Lease Purchase Agreement dated as of December 1, 2016 (the "Lease") between the Trustee, as sublessor, and the County, as sublessee; and

WHEREAS, in order to effect the construction of the Project, the Board desires to enter into the Agreement to Construct dated as of December 1, 2016 (the "Agreement to Construct") between the County and the Trustee, pursuant to which the County will undertake the responsibility for such construction; and

WHEREAS, the Trustee will execute an Indenture of Trust (the "Indenture"), pursuant to which there will be issued the Certificates of Participation, Series 2016 (the "Series 2016 Certificates") evidencing undivided interests in the right to receive certain revenues pursuant to the Lease, in an aggregate principal amount not to exceed \$5,750,000, the proceeds of which Series 2016 Certificates will be used to finance the Project; and

WHEREAS, the Series 2016 Certificates shall evidence undivided interests in the right to receive Lease Revenues (defined in the Indenture), shall be payable solely from the Trust Estate (defined in the Indenture) and no provision of the Series 2016 Certificates, the Indenture, or the Lease shall be construed or interpreted (a) to directly or indirectly obligate the County to make any payment in any Fiscal Year in excess of amounts appropriated for such Fiscal Year; (b) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the County within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (c) as a delegation of governmental powers by the County; (d) as a loan or pledge of the credit or faith of the County or as creating any responsibility by the County for any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado Constitution; or (e) as a donation or grant by the County to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution; and

WHEREAS, the County has conducted a solicitation for proposals from prospective underwriters of the Series 2016 Certificates and has selected RBC Capital Markets, LLC (the "Underwriter"); and

WHEREAS, the Series 2016 Certificates will be offered for sale by the Underwriter pursuant to a Preliminary Official Statement (the "Preliminary Official Statement"); and

WHEREAS, the Board desires that the Series 2016 Certificates will be purchased by the Underwriter pursuant to a Certificate Purchase Agreement among the County, the Trustee and the Underwriter (the "Certificate Purchase Agreement"); and

WHEREAS, the Board has been presented with or had made available to it forms of the Site Lease, the Lease, the Indenture, the Certificate Purchase Agreement, the Agreement to Construct and the Preliminary Official Statement; and

WHEREAS, in order to implement the transactions described above, the Board desires (a) to authorize and approve the execution and delivery by the County of, and the performance by the County of its obligations under, the Site Lease, the Lease, the Agreement to Construct, the Certificate Purchase Agreement and certain other documents described herein, (b) to authorize, and approve the use in the offering and sale of the Series 2016 Certificates of the Preliminary Official Statement, (c) to approve the Indenture and the Series 2016 Certificates, and (d) to

authorize, approve, ratify, make findings and take other actions with respect to the foregoing and related matters;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PARK COUNTY, COLORADO:

Section 1. Ratification of Actions. All action heretofore taken, not inconsistent with the provisions of this resolution (the "Resolution"), by the Board or the officers of the County, directed toward the implementation of the Project, including without limitation the preparation of the forms of the Site Lease, the Lease, the Agreement to Construct, the Preliminary Official Statement, the Certificate Purchase Agreement and related documents, are hereby ratified, approved and confirmed.

Section 2. Findings; Authorizations. The Board hereby finds and determines, pursuant to the laws of the State of Colorado, that the Project is necessary, convenient, and in furtherance of the governmental purposes of the County and in the best interests of the County and its inhabitants; and the Board hereby authorizes the execution and delivery of the Site Lease, the Lease, the Agreement to Construct and the Certificate Purchase Agreement in furtherance of the Project. The County hereby elects to apply all of the provisions of the Supplemental Public Securities Act, Part 2 of Article 57, Title 11, C.R.S. (the "Supplemental Securities Act") to the extent applicable and not inconsistent herewith, to the Lease.

Section 3. Approval of Documents; Authorized Officers; Final Terms. The Site Lease, the Lease, the Agreement to Construct and the Certificate Purchase Agreement, in substantially the forms delivered to the office of the County Clerk prior to the adoption of this Resolution, are in all respects approved, authorized and confirmed, and the Chair of the Board is hereby authorized and directed to execute and deliver, and the County Clerk of the County or any Deputy or Assistant County Clerk are hereby authorized and directed to affix the seal of the County to, and attest, the Site Lease, the Lease, the Agreement to Construct and the Certificate Purchase Agreement in substantially the forms so delivered to the office of the County Clerk, with such changes as are not inconsistent with the intent of this Resolution and are approved by bond counsel or the County Attorney. The Board hereby designates the County Director of Finance (and any persons authorized by law to act on his or her behalf in his or her absence) or any member of the Board to act as "Authorized Officers" under the Lease. Prior to the execution of the Site Lease, the Lease, the Agreement to Construct, the Certificate Purchase Agreement or any other instrument contemplated by this Resolution, the final forms thereof and the final Base Rentals due under the Lease shall be approved by a certificate signed by an Authorized Officer (a "Final Terms Certificate").

Section 4. The County Director of Finance may request, on behalf of the County, the submittal of bids to issue a municipal bond insurance policy (the "Bond Insurance Policy") insuring the payment when due of the principal of and interest on the Series 2016 Certificates. In the event that the County determines, based in part upon information provided by the Underwriter, that the premium bid for issuance of the Bond Insurance Policy is less than the interest cost savings to be realized by the County as a result of the issuance of the Bond Insurance Policy, the Board hereby delegates to any Authorized Officer the authority to execute the offer to issue the Bond Insurance Policy (the "Commitment") with the entity acting as bond

insurer thereunder (the "Bond Insurer"), as provided in the Final Terms Certificate, provided that the Bond Insurer shall be listed in The Bond Buyer's Municipal Marketplace Directory—Fall 2016, published by Thomson Media. The Authorized Officer is also hereby authorized and directed to take all actions necessary to cause the Bond Insurer to issue the Bond Insurance Policy in accordance with the Commitment, including without limitation, payment of the premium due in connection therewith and entering into any authorizing agreement. The execution of the Commitment, if any, by the Authorized Officer is hereby ratified and approved.

Section 5. Additional Documents. The County Clerk is hereby authorized and directed to attest all signatures and acts of any official of the County in connection with the matters authorized by this Resolution. The Chair of the Board and the Authorized Officers 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 transactions and other matters authorized by this Resolution. The Authorized Officers are also authorized to execute on behalf of the County agreements concerning the deposit and investment of funds in connection with the transactions contemplated by this Resolution.

Section 6. Lease Terms. The Lease shall provide for the payment of Base Rentals consisting of an interest component and a principal component, and the schedule of Base Rentals incorporated in the Lease shall be approved by a supplemental resolution or Final Terms Certificate, subject to the following limitations:

- (a) the aggregate amount of the principal component of Base Rentals shall not exceed \$5,750,000;
- (b) the interest component of Base Rentals shall accrue at a net effective interest rate not to exceed 4.25% per annum;
- (c) the Lease, including all renewal terms thereof, shall terminate not later than December 31, 2037 and may also be made subject to prepayment limitations and termination provisions as provided in the Lease;
- (d) the County shall have the option to purchase the interest of the Trustee in the Leased Property in the manner provided in the Lease and the Site Lease.

Section 7. Approval of Preliminary Official Statement. The Board hereby: ratifies and authorizes the preparation of and approves the Preliminary Official Statement in the form made available to the Board, with such changes therein, not inconsistent herewith, as are approved by bond counsel or the County Attorney; authorizes the use of the Preliminary Official Statement in connection with the offering and sale of the Series 2016 Certificates; authorizes and approves the execution and delivery by the Authorized Officer of a certificate that shall "deem final" the Preliminary Official Statement for purposes of Rule 15c2-12 under the Securities Act of 1934; authorizes the preparation of the final Official Statement (the "Official Statement") in substantially the form of the Preliminary Official Statement, with such changes therein, not inconsistent herewith, as are approved by bond counsel or the County Attorney; authorizes the

use of the Official Statement in connection with the sale of the Series 2016 Certificates; and authorizes the Chair of the Board to execute the Official Statement.

Section 8. Acknowledgement of Indenture and Certificates. The Board hereby: approves the terms and provisions of the Indenture and the Series 2016 Certificates, the form of which has been made available to the Board, and acknowledges the execution of the Indenture and the Series 2016 Certificates by the Trustee, subject to the direction of the Board that: (a) the aggregate principal amount of the Series 2016 Certificates will not exceed \$5,750,000; (b) the final maturity of the Series 2016 Certificates will be no later than December 1, 2037; and (c) the maximum net effective interest rate of the Series 2016 Certificates will not exceed 4.25% per annum.

Section 9. No General Obligation or Other Indebtedness. The obligation of the County to make rental payments under the Lease is subject to annual appropriation by the Board and constitutes an undertaking of the County to make current expenditures. No provision of this Resolution, the Lease or the Site Lease shall be construed as constituting or giving rise to a general obligation or other indebtedness or multiple fiscal year financial obligation of the County within the meaning of any constitutional or statutory debt limitation nor a mandatory charge or requirement against the County in any ensuing fiscal year beyond the current fiscal year. The County shall have no obligation to make any payment except in connection with the payment of the Base Rentals and Additional Rentals (as defined in the Lease) which obligations shall be subject to termination and nonrenewal by the County in accordance with the provisions of the Lease.

Section 10. Findings; Expression of Need; Reasonable Rentals. The County hereby declares its current need for the Leased Property. It is hereby declared to be the present intention and expectation of the Board that the Lease will be renewed annually until all of the Leased Property is acquired by the County pursuant to the Lease; but this declaration shall not be construed as contractually obligating or otherwise binding the County.

The Board hereby determines and declares that the Base Rentals due under the Lease, so long as they are within the parameters provided in this Resolution, will represent the fair value of the use of the Leased Property during the Lease Term, and that the Purchase Option Price (as defined in the Lease) will represent, as of any date upon which the County may exercise its option to purchase the Trustee's interest in such Leased Property, the fair purchase price thereof. The Board further hereby determines and declares that the Base Rentals due under the Lease will not exceed a reasonable amount so as to place the County under an economic or practical compulsion to renew the Lease or to exercise its option to purchase the interest of the Trustee in the Leased Property pursuant to the Lease. In making such determinations, the Board has given consideration to the uniqueness of the Leased Property, the cost of acquiring the Leased Property, the uses and purposes for which the Leased Property will be employed by the County, the benefits to the citizens of the County by reason of the acquisition and use of the Leased Property pursuant to the terms and provisions of the Site Lease and the Lease, the County's option to purchase the Trustee's interest in the Leased Property, the County's right to cause the termination of the Lease by declining to appropriate funds, the County's fee ownership of the Leased Property, subject to the Site Lease, and the expected eventual receipt, by the County, of the unrestricted right to possession of the Leased Property following termination of the Site

Lease. The Board hereby determines and declares that the acquisition of the Leased Property and the leasing of the Leased Property pursuant to the Lease will result in facilities of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition of the Leased Property were performed by the County other than pursuant to the Lease. The Board hereby determines and declares that, after execution and delivery of the Lease, the maximum duration of the Lease, or the portion thereof allocable to any item of Leased Property separately identified in the Lease, will not exceed the weighted average useful life of such item or items of Leased Property.

Section 11. Severability. The provisions of this Resolution are hereby declared severable. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable by a court of competent jurisdiction, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 12. Repealer of Measures. All acts, orders, resolutions or parts thereof, in conflict with this Resolution or with any of the documents hereby approved, are hereby repealed only to the extent of such conflict. This repealer shall not be construed as reviving any resolution, or part thereof heretofore repealed.

Section 13. Effectiveness. This Resolution shall take effect immediately upon its passage.

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PASSED, ADOPTED AND APPROVED this 9th day of November, 2016.

PARK COUNTY, COLORADO

Acting By Richard J. Hedges
Chairperson, Board of County Commissioners

[COUNTY SEAL]

Attest:

By Debra A Green
County Clerk
and ex-officio Clerk of the
Board of County Commissioners

