

**REPORT TO THE
MINUTES OF THE BOARD OF
CARBON COUNTY COMMISSIONERS
SPECIAL MEETING
Tuesday, December 21, 2020
Carbon County Courthouse, Rawlins, WY**

A special meeting of the Board of Carbon County Commissioners (BOCC) commenced Monday, December 21, 2020 at 5:00 p.m. at the Carbon County Courthouse in Rawlins, WY. Attending the meeting were Chairman, John Johnson, Vice Chairman, Sue Jones, John Espy, and Travis Moore Commissioner Byron Barkhurst was absent.

Chairman Johnson called the meeting to order at 5:00 p.m. and turned it over the Irene Archibald, Chairman of the Specific Purpose Tax Joint Powers Board (SPTJPB).

Also present via Zoom were Barbara Bonds with Freudenthal and Bonds, Michael Persichitte, and Alan Matolsz of Stifel Public Finance along with representatives from the Towns of Baggs, Dixon, Elk Mountain, Encampment, Hanna, Medicine Bow, Riverside, Saratoga, Sinclair and Rawlins

Specific Purpose Tax Joint Powers Board

Irene Archibald turned the meeting over to Michael, Alan and Barbara. Michael overviewed the recent sale of bonds, Series A and Series B. Michael explained initially bonds were estimated to sell at 3.4% and approximately \$35 million however because of good tax collections recently and the county's rating the rate ended up at 2.6% on the entire issuance and borrowed about \$30 million instead. The initial ballot question anticipated the total financing cost to be over \$67 million over a 15-year time frame. After the sale it is anticipated to only take 12 years to collect and a total financing cost of approximately \$57 million. Alan reported they had approximately \$50 million in orders throughout the country and the issuance compared to similar sales across the country.

Barbara stated to close the transaction each entity must execute documents. Irene explained that non-bonding entities will receive their full allocation, bonding entities will receive a portion that was not financed, and the remainder will be held in escrow for principle and interest payments.

The SPTJPB approved their resolution.

Commissioner Espy moved to authorize the Chairman's signature on Resolution 2020-62, A Resolution Concerning the Financing of the Acquisition and Construction of Carbon County Building Renovations, Repairs, Replacements and Improvements by Carbon County, Wyoming: Approving a Site Lease, a lease and Escrow Agreement and Related Documents and Transactions; and Appointing a Lessee Representative for the Purpose of the Improvements Under the Lease and Commissioner Jones seconded and the motion carried unanimously.

RESOLUTION NO. 2020 - 62

A RESOLUTION CONCERNING THE FINANCING OF THE ACQUISITION AND CONSTRUCTION OF CARBON BUILDING RENOVATIONS, REPAIRS, REPLACEMENTS AND IMPROVEMENTS BY CARBON COUNTY, WYOMING; APPROVING A SITE LEASE, A LEASE, AN ESCROW AGREEMENT AND RELATED DOCUMENTS AND TRANSACTIONS; AND APPOINTING A LESSEE REPRESENTATIVE FOR PURPOSE OF THE IMPROVEMENTS UNDER THE LEASE.

WHEREAS, Carbon County, Wyoming (“Carbon County” or the “County”) is a body corporate and politic and public instrumentality of the State of Wyoming; and

WHEREAS, the Board of County Commissioners of the County (the “Commissioners”) is authorized to acquire, hold, convey, lease, rent, and manage property, real and personal, for the benefit of the County, in the name by which the County is designated, either alone or jointly with another public or private agency, institution, person, or corporation; and

WHEREAS, the County either owns, has a leasehold or right-of-way interest in or, in connection with certain improvements will acquire an ownership, leasehold or right-of-way interest in certain sites and existing facilities (hereinafter the “Carbon County Sites”); and

WHEREAS, the Commissioners have determined that certain improvements (the “Carbon County Improvements”) with respect to the Carbon County Sites would be of service to and be for the benefit of the inhabitants of the County; and

WHEREAS, there was approved by the qualified electors of Carbon County on May 7, 2019, a specific purpose sales and use excise tax in the total amount of **\$67,450,000** (the “2019 Tax”), as a source of funding for specific projects for Carbon County; Baggs, Wyoming (“Baggs”); Dixon, Wyoming (“Dixon”); Elk Mountain, Wyoming (“Elk Mountain”); Encampment, Wyoming (“Encampment”); Hanna, Wyoming (“Hanna”); Medicine Bow, Wyoming (“Medicine Bow”); Saratoga, Wyoming (“Saratoga”); Sinclair, Wyoming (“Sinclair”); and Rawlins, Wyoming (“Rawlins”) incorporated municipalities in Carbon County (hereinafter Carbon County, Baggs, Dixon, Elk Mountain, Encampment, Hanna, Medicine Bow, Riverside, Saratoga, Sinclair and Rawlins being sometimes collectively referred to as the “Participating Agencies”); and

WHEREAS, collection of the 2019 Tax commenced October 1, 2019, and Tax collections remitted to the Participating Agencies are being held by the Carbon County Treasurer (the “Treasurer”); and

WHEREAS, pursuant to a joint resolution dated as of July 1, 2020, the Participating Agencies directed the Treasurer to distribute 2019 Tax collections in the amount of \$1,524,249.26 to the Participating Agencies, allocated as set forth therein, with a balance of \$2,000,000 and all future collections being retained by the Treasurer in an account (the “Escrow Account”) until such time that the Participating Agencies can engage an escrow bank and enter into an escrow agreement that will provide instructions for the distribution and expenditure thereof (including payment of Rental Payments, as defined in the Series 2020B Lease hereinafter defined) (the “Escrow Agreement”); and

WHEREAS, for purposes of financing the acquisition and construction of specific improvements prior to the collection of the 2019 Tax, the Participating Agencies formed the Carbon County Specific Purpose Tax Joint Powers Board (the “Board”), a duly organized and existing body corporate and politic under the provisions of the Wyoming Joint Powers Act, Wyo.

Stat. §§ 16-1-102 through 16-1-109, pursuant to an Amended Joint Powers Agreement dated as of September 15, 2019; and

WHEREAS, the Board has advised the County that pursuant to a resolution to be adopted on December 21, 2020 (the “Bond Resolution”), and in order to provide funds for the acquisition and construction of improvements for Carbon County, Lease Revenue Bonds, Series 2020A, in the aggregate principal amount of \$15,730,000, dated December 23, 2020 (the “Series 2020A Bonds”) will be issued and delivered by the Board; and

WHEREAS, the Commissioners have determined, and hereby determine, that it is in the best interests of the County and its citizens and inhabitants that the County enter into that certain Site Lease Agreement, dated as of December 1, 2020 (the “Series 2020A Site Lease”), whereby the County, as a landlord, will lease the County Sites to the Board, as tenant, and further that the County will enter into that certain annually terminable Lease and Agreement, dated as of December 1, 2020 (the “Series 2020A Lease”), whereby the County, as a lessee, will sublease the County Sites from the Board and will further lease from the Board the County Improvements to be acquired and constructed thereon; and

WHEREAS, there have been presented to the Commissioners the forms of the 2020A Site Lease, the Series 2020A Lease (including in the Series 2020A Lease the schedule of Rental Payments and Optional Purchase Price) and the Escrow Agreement; and

WHEREAS, the Commissioners desire to approve the Series 2020A Site Lease, the Series 2020A Lease and the Escrow Agreement and authorize the execution and performance of such documents; and

WHEREAS, the Commissioners further desire to appoint a Lessee Representative (as defined by the Series 2020A Lease) for purposes of the Carbon County Improvements;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF CARBON COUNTY, WYOMING:

Section 1. Ratification of Actions. All actions heretofore taken (not inconsistent with the provisions of this resolution) by the Commissioners or officials of Carbon County, directed toward the construction of the Carbon County Improvements, are hereby ratified, approved, and confirmed.

Section 2. Finding as To Governmental Purpose. The Commissioners hereby find and determine, pursuant to the constitution and laws of the State, that the acquisition and construction of the Carbon County Improvements, and the leasing of the Carbon County Sites to the Board under the terms and provisions set forth in the Series 2020A Site Lease, and the subleasing of the Carbon County Sites and the leasing of the Carbon County Improvements from the Board under the terms and provisions set forth in the Series 2020A Lease, are necessary, convenient, and in furtherance of the governmental purposes of Carbon County, and are in the best interests of Carbon County and its citizens and inhabitants; and the Commissioners hereby authorize such leasing and subleasing under the terms and provisions of the Series 2020A Site Lease and the Series 2020A Lease.

Section 3. Finding as to Litigation. The Commissioners find and determine that no lawsuits have been filed, no actions have been threatened, and no claims have been made against Carbon County which would have any effect on the Carbon County Improvements, the 2020A Site Lease, the 2020A Lease, the Escrow Agreement or the issuance of the Series 2020A Bonds by the Board.

Section 4. Approval of the Series 2020A Site Lease, Series 2020A Lease and Escrow Agreement. The Series 2020A Site Lease, the Series 2020A Lease and the Escrow Agreement are in all respects approved, authorized, and confirmed, and the Chairman of the Commissioners and County Clerk are authorized and directed to affix their signatures to such documents in substantially the forms and with substantially the same content as submitted to the Commissioners, and thereafter Carbon County shall be bound by the provisions thereof.

Section 5. Attestation; Authorization of Other Documents. The County Clerk is hereby authorized and directed to attest all signatures and acts of any official of Carbon County in connection with the matters authorized by this resolution. The Chairman and other officials of Carbon County are hereby authorized to execute and deliver for and on behalf of Carbon 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.

Section 6. No Indebtedness. No provision of this resolution, the Series 2020A Site Lease, the Series 2020A Lease, the Escrow Agreement or the Series 2020A Bonds shall be construed as creating or constituting a general obligation or other indebtedness of Carbon County, nor mandatory charge or requirement against Carbon County in any ensuing budget year beyond the then current budget year. Carbon County shall have no obligation to make any payment with respect to the Series 2020A Bonds except in connection with the payment of the Rental Payments and Additional Rentals (as defined in the Series 2020A Lease) and certain other payments under the Series 2020A Lease, which payments may be terminated by Carbon County in accordance with the provisions of the Series 2020A Lease.

Section 7. Rental Payments and Optional Purchase Price. The Rental Payments and Optional Purchase Price (as defined in the Series 2020A Lease) for the Carbon County Improvements shall be payable during the Lease Term (as defined in the Series 2020A Lease) on the following dates, in the following amounts:

CARBON COUNTY RENTAL PAYMENTS

<u>Payment Dates</u>	<u>Rental Payments</u>	<u>Payment Dates</u>	<u>Rental Payments</u>
06/01/2026	\$ 984,600	06/01/2031	\$1,845,300
12/01/2026	301,200	12/01/2031	147,000
06/01/2027	1,726,200	06/01/2032	1,877,000
12/01/2027	272,700	12/01/2032	112,400
06/01/2028	1,752,700	06/01/2033	1,912,400
12/01/2028	243,100	12/01/2033	76,400
06/01/2029	1,783,100	06/01/2034	1,951,400
12/01/2029	212,300	12/01/2034	38,900

06/01/2030	1,812,300	06/01/2035	1,983,900
12/01/2030	180,300		

The Commissioners hereby determine and declare that the Rental Payments do not exceed a reasonable amount so as to place Carbon County under an economic compulsion to renew the Series 2020A Lease or to place Carbon County under an economic compulsion to exercise its option to purchase the Carbon County Improvements pursuant to the Serie2020A Lease.

The Commissioners hereby determine and declare that the period during which Carbon County has an option to purchase the Improvements (i.e., on any June 1 or December 1, commencing June 1, 2025) does not exceed the useful life of the Carbon County Improvements. The Optional Purchase Price (as defined in the Series 2020A Lease) for the Carbon County Improvements shall be payable during the Lease Term (as defined in the Series 2020A Lease) on the following dates, in the following amounts:

CARBON COUNTY OPTIONAL PURCHASE PRICES

<u>Payment Dates</u>	<u>Optional Purchase Price*</u>	<u>Payment Dates</u>	<u>Optional Purchase Price*</u>
06/01/2025	\$16,044,600	12/01/2030	\$9,195,300
12/01/2025	16,044,600	06/01/2031	9,195,300
06/01/2026	16,044,600	12/01/2031	7,497,000
12/01/2026	15,361,200	06/01/2032	7,497,000
06/01/2027	15,361,200	12/01/2032	5,732,400
12/01/2027	13,907,700	06/01/2033	5,732,400
06/01/2028	13,907,700	12/01/2033	3,896,400
12/01/2028	12,398,100	06/01/2034	3,896,400
06/01/2029	12,398,100	12/01/2034	1,983,900
12/01/2029	10,877,300	06/01/2035	1,983,910**
06/01/2030	10,877,300		

*Total Payment Due if Option is exercised.

** Payment includes \$10.00 for purchase.

Section 8. Designation of Lessee Representative for the Carbon County Improvements. The Commissioners hereby determine that the person who shall be specifically

responsible for the Carbon County Improvements shall be the County Clerk (the “Carbon County Improvements Representative”). The Carbon County Improvements Representative may be changed by resolution hereafter adopted by the Commissioners.

Section 9. 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, the intent being that the invalid or unenforceable section, paragraph, clause, or provision shall be severable from the remaining sections, paragraphs, clauses, or provisions.

Section 10. Repealer. All bylaws, orders, and resolutions, or parts thereof, inconsistent with this resolution or with any of the documents hereby approved, are hereby repealed only to the extent of such inconsistency. This repealer shall not be construed as reviving any bylaw, order, or resolution, or part thereof.

Section 11. Effective Date. This resolution shall be in full force and effect upon its passage and adoption.

PASSED, ADOPTED, AND APPROVED this 21st day of December 2020.

ATTESTED:

-s- Gwynn G. Bartlett
County Clerk

CARBON COUNTY, WYOMING

-s- Willing John Johnson
Chairman, Board of County Commissioners

Commissioner Jones moved to authorize any commissioners signature on additional documents required for closing of the bond transaction discussed today. Commissioner Espy seconded and the motion carried unanimously.

Commissioner Moore moved to adjourn at 5:35 p.m. Commissioner Espy seconded and the motion carried unanimously.