

RESOLUTION NO. 12-343

**A RESOLUTION APPROVING THE ORGANIZATION OF A LOCAL BUILDING AUTHORITY FOR DELTA CITY, MILLARD COUNTY, UTAH, TO BE NAMED THE LOCAL BUILDING AUTHORITY OF DELTA CITY AND THE FORMS OF ARTICLES OF INCORPORATION AND BY-LAWS RELATING THERETO, AND AUTHORIZING THE APPROPRIATE OFFICERS OF SAID CITY TO TAKE ALL NECESSARY ACTION IN CONNECTION THEREWITH.**

WHEREAS, pursuant to the provisions of the Utah Local Building Authority Act, Sections 201 through 203 of Chapter 2, Title 17D of the Utah Code Annotated, 1953 as amended, Delta City, Millard County, Utah is authorized to create a local building authority for the purpose of acquiring, improving, or extending any improvements, facilities or properties and appurtenances to them which Delta City is authorized or permitted by law including but not limited to, acquiring, leasing, constructing, furnishing, maintaining, or operating a community center and related facilities, and to acquire or lease land required for or related to these purposes, or other structures of every nature or any joint or partial interest in the same, whether or not such improvements, facilities, properties and appurtenances are situated within the boundaries of Delta City, Millard County, Utah; and

WHEREAS, the City Council of Delta City considers it necessary and desirable for the City to organize a not-for-profit corporation as a local building authority (the "Corporation") to carry out on behalf of Delta City the acquisition, improvement, or extensions of improvements, facilities or properties and appurtenances to them in accordance with the Utah Local Building Authority Act; and

WHEREAS, there have been presented to and reviewed by this City Council of the City proposed Articles of Incorporation and By-Laws for the Corporation, and the City Council of Delta City desires to approve the organization of the Corporation and such proposed documents and to authorize the appropriate officers of the City to take all necessary actions in connection with the organization of the Corporation;

NOW THEREFORE, BE AND IT IS HEREBY RESOLVED BY THE CITY COUNCIL OF DELTA CITY, MILLARD COUNTY, UTAH, AS FOLLOWS:

SECTION 1: That the City Council hereby approves the organization of the Corporation to function on behalf of Delta City as a local building authority in accordance with the provisions of the Utah Local Building Authority Act as the same now exists or as it may be from time to time amended and in connection therewith approves the proposed forms of Articles of Incorporation and By-Laws of the Corporation substantially in the forms which were presented to and reviewed by this Delta City Council and which are attached hereto as Exhibits "B" and "C", respectively.

SECTION 2: That the members of the City Council are authorized to execute the Articles of Incorporation in substantially the form attached hereto; that the City Attorney shall cause such executed Articles of Incorporation to be filed with the Department of Commerce of the State of Utah and that the Mayor, City Council, City Recorder, City Attorney, and other officers of Delta City are authorized and directed to take all necessary actions to cause the organization of the Corporation.

SECTION 3: That all resolutions and orders or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed, and this Resolution shall be in full force and effect immediately upon its adoption.

ADOPTED and APPROVED this 19th day of April, 2012.

DELTA CITY

By Gayle K. Brinker  
Mayor

ATTEST:

Gregory Jay Scherer  
City Recorder

(SEAL)

**ARTICLES OF INCORPORATION  
OF  
LOCAL BUILDING AUTHORITY OF DELTA CITY  
[A Non-Profit Corporation]**

\* \* \* \* \*

The undersigned, acting as incorporators of the Local Building Authority of Delta City, organized and incorporated under the "Utah Revised Non-Profit Corporation Act" and the Local Building Authority Act adopt the following Articles of Incorporation for such corporation:

**ARTICLE I**

The name of the corporation is: Local Building Authority of Delta City.

**ARTICLE II**

The period of its duration of said corporation is perpetual.

**ARTICLE III**

The purpose or purposes for which the corporation is organized are:

**Preliminary**

This is a non-profit corporation organized and to be operated as that term is used in the Internal Revenue Code of 1954, as amended, and under Chapter 2, Title 17D, Utah Code Annotated, 1953, Utah Local Building Authority Act, and shall have all the powers and be subject to all the limitations provided in that Act, whether or not any such provision or limitations are set forth herein. The corporation shall be authorized to build, construct, improve, renovate, rehabilitate, own, hold, manage, lease from and to other parties, persons, or institutions, collect rents, and sell, mortgage, hypothecate, finance, and in every other way deal in buildings, structures, land (improved and unimproved) and appurtenances, buildings and structures thereon and fixtures there within and to obtain, facilitate and consummate all finances therefore;

The existence of this Corporation does not contemplate pecuniary gain or profit to the trustees thereof and they shall so conduct its business and affairs so that no profit or income from the operation thereof shall inure to any trustee or officer of the Corporation or to any private person or corporation and no distribution shall ever be made of any of the properties or assets of the Corporation to any trustee or officer thereof or to any private person or corporation. Upon dissolution of the Corporation, all of the Corporation's assets remaining after the payment of all of its liabilities shall be transferred to Delta City, Millard County, Utah (the "City"), free and clear of

all liens and encumbrances, without consideration of whatsoever kind or nature.

The General Purposes of the Corporation are:

(a) To accomplish the public purposes for which the City exists by acquiring, improving, or extending one or more Projects ("Project"), as used in these Articles of Incorporation, shall mean improvements, facilities, or properties and appurtenances to them which the City is authorized or permitted by law to acquire, including, but not limited to, acquire, lease, construct, furnish, maintain, or operate a community center and related facilities, and to acquire or lease land required for or related to these purposes, and other structures of every nature, public parking areas, lots, or facilities or any joint or partial interest in the same, which improvements, facilities, properties and appurtenances need not be situated within the boundaries of the City), and financing the costs thereof on behalf of the City.

(b) To borrow the necessary funds to pay the costs of acquiring, improving, or extending such Projects, the indebtedness for which borrowed money may be evidenced by bonds, notes or other evidences of indebtedness ("Obligations") of the Corporation issued pursuant to the Utah Local Building Authority Act at any one or more times, which Obligations shall be secured by a pledge and assignment of the revenues received by the Corporation under any lease contract with respect to Projects financed with the proceeds of the sale of such Obligations and which may be secured by a mortgage, trust deed, indenture, pledge, agreement, assignment, security agreement, financing statement, or other instrument pursuant to which property may be encumbered as security for obligations, covering all or any part of a Project, whether or not financed with such borrowed funds, by a pledge and assignment of any lease contract with respect to a Project, whether or not financed with such borrowed funds, by amounts held in reserve funds or by such other security devices with respect to a Project, whether or not financed with such borrowed funds, as may be deemed most advantageous by the Corporation.

(c) To conduct its business and affairs so as to tender by gift to the City after all of the Corporation's indebtedness has been paid, all rights, title and interest of the Corporation, in or to all of its properties and assets.

Without limiting the generality of the foregoing, but subject to the limitations set forth in Article IV hereof, the Corporation shall have all the powers, privileges and rights necessary or convenient for carrying out the purposes for which the Corporation is formed and the trustees hereby claim for the Corporation all the benefits, privileges, rights and powers created, given, extended or conferred by the provisions of all applicable laws of the State of Utah pertaining to local building authorities and to non-profit corporations and any additions or amendments thereto.

To do all and everything necessary, suitable and proper for the accomplishment of any purpose, or any statutory authority, the attainment of any object or the furtherance of any power herein before set forth or provided by law, either alone or in association with other corporations, firms or individuals; to do every other act or thing incidental or appurtenant to, growing out of, or

connected with the aforesaid business or powers or any part thereof, provided the same be not inconsistent with the State of Utah Local Building Corporation Act and to do all such acts and things, conduct business, have one or more offices, and exercise its corporate powers in any and all places, without limitation.

**ARTICLE IV**

The Board of Trustees of the Corporation shall have the power to adopt By-Laws for the conduct of the business and affairs of the Corporation, and may alter or rescind the same, except as may be provided in the By-Laws, by the vote of a majority of the voting trustees in office, provided that no such amendment shall take effect until a certified copy of a resolution or other proceeding approving such amendment by the Mayor and City Council of the City shall have been filed with the Secretary of the Corporation.

**ARTICLE V**

The corporation shall have neither stock nor stockholders but is organized with members. The sole members of the corporation shall be the Board of Trustees.

**ARTICLE VI**

The address of the initial registered office of the corporation is: 76 North 200 West, Delta, Utah (84624) and the name of its initial registered agent at such address is: Gregory J. Schafer.

**ARTICLE VII**

The affairs of the corporation shall be governed by a Board of Trustees.

The Trustees shall be the Mayor and City Council of Delta City. However, the Mayor as trustee shall only have the right to vote in the event of a tie vote among the other trustees representing a quorum, consistent with voting rights as Mayor. The governing body may, at its sole discretion and at any time, alter or change the structure, organization, programs, or activities of the building authority, subject to the rights of holders of the authority's bonds and parties to its other obligations. The names and addresses of the persons who are to serve as initial Trustees until their successors are elected and shall qualify are:

Gayle K. Bunker

262 North 100 East  
Delta, UT 84624

Robert W. Banks	67 East 200 North Delta, UT 84624
John W. Niles	296 Manzanita Ave. Delta, UT 84624
Steven R. Pratt	66 North 200 East Delta, UT 84624
Thomas N. Stephenson	P.O. Box 394 Delta, UT 84624
Betty Jo Western	P.O. Box 186 Delta, UT 84624

The respective terms of the trustees shall equal his or her elected or appointed term as Mayor or councilmember for Delta City. Each shall serve until his successor is duly elected or appointed and qualified. Elected or appointed councilmember for the City shall become trustees hereof upon their qualification to serve as councilmembers.

#### **ARTICLE VIII**

These Articles of Incorporation may be amended or repealed in the manner provided by law; provided, however, to the extent permitted by applicable law, after the issuance of any Obligations of the Corporation and while any such Obligations may be outstanding, the provision of Article III hereof may not be amended or repealed unless necessary to comply with the requirements of applicable law, and no articles of amendment shall be delivered to the Secretary of State (and no amendment shall become effective) until a certified copy of a resolution or other proceeding of the Mayor and City Council of the City approving such amendment shall have been filed with the Secretary of the Corporation.

#### **ARTICLE IX**

No Obligations of the Corporation shall be issued unless there shall have been filed with the Secretary of the Corporation a certified copy of a resolution or other proceedings of the Mayor and City Council of the City approving the issuance of such Obligations, and their terms.

#### **ARTICLE X**

The corporation shall be authorized and empowered to pay reasonable compensation for services rendered it and to make payments and distributions in furtherance of the purposes herein set forth. Notwithstanding any other provisions of these Articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax

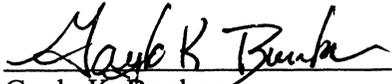
under the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

**ARTICLE XI**

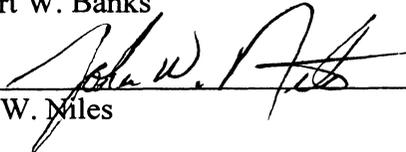
The names and addresses of the incorporators of said corporation are:

Gayle K. Bunker	262 North 100 East Delta, UT 84624
Robert W. Banks	67 East 200 North Delta, UT 84624
John W. Niles	296 Manzanita Ave. Delta, UT 84624
Steven R. Pratt	66 North 200 East Delta, UT 84624
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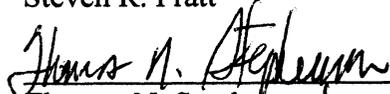
DATED this 19th day of April, 2012.

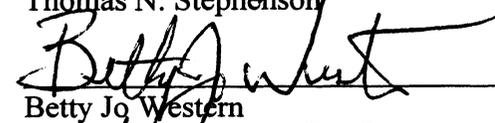
  
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Gayle K. Bunker

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Robert W. Banks

  
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John W. Niles

  
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Steven R. Pratt

  
\_\_\_\_\_  
Thomas N. Stephenson

  
\_\_\_\_\_  
Betty Jo Western

  
\_\_\_\_\_  
Gregory J. Schafer, Registered Agent

**BY-LAWS OF  
LOCAL BUILDING AUTHORITY OF DELTA CITY  
[A Utah Non-Profit Corporation]**

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These By-Laws have been adopted for the regulation and management of the affairs of the Local Building Authority of Delta City (the "Corporation"), subject to the provisions of its Articles of Incorporation and the laws of the State of Utah, at a meeting of the Board of Trustees of the Corporation held in Delta, Utah, on the 19th day of April, 2012, duly called for that purpose.

**ARTICLE I**

**PROPERTY INTEREST AND NON-LIABILITY  
OF TRUSTEES AND OFFICERS**

**SECTION 1. Non-profit Character and Property Interest.** The Corporation is organized and shall operate as a non-profit corporation which does not distributed any part of its income to its trustees or officers. No trustee or officer of the Corporation shall have any right, title or interest in or to any property, assets, or income of the Corporation either prior to or at the time of the dissolution of the Corporation, all of which properties, assets, and income shall at the time of dissolution be transferred to Delta, Utah, (the "City") as provided in the Articles of Incorporation of the Corporation. The property, assets, and income of the Corporation shall not inure to the benefit of any private person or private corporation. No earnings of the Corporation may inure to the benefit of anyone other than the City.

**SECTION 2. Non-Liability.** No member of the Board of Trustees or officer of the Corporation shall be individually liable upon any indebtedness or liability incurred by the Corporation.

**SECTION 3. Activities.** The Corporation shall engage only in activities which are essentially public in character and which are consistent with the purposes for which the Corporation was organized as provided in its Articles of Incorporation.

**ARTICLE II**

**MEETINGS**

**SECTION 1. Regular Meetings.** The Board of Trustees may provide for the holding of regular meetings of the Board of Trustees following such notice to the trustees and to the public as may be required by Section 3 of this Article II.

**SECTION 2. Special Meetings.** Special meetings of the Board of Trustees may be called upon a written order signed by a majority of the trustees or by the President of the Corporation, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as provided in Section 3 of this Article II.

**SECTION 3. Notice.** Notice to the trustees of any regular or special meeting of the Board of Trustees of the Corporation shall be given by the Secretary at least <sup>two (2)</sup> ~~ten (10)~~ days prior to any meeting. The Secretary of the Corporation 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 Meeting Law, as amended or supplemented from time to time.

**SECTION 4. Waiver of Notice.** Any trustee may waive any notice of a meeting required to be given by these By-Laws or any other notices required to be given to such trustee under the provisions of the Utah Revised Non-Profit Corporation Act or under the provisions of the Articles of Incorporation of the Corporation or these By-Laws by signing a written waiver thereof. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Trustees need be specified in the waiver of notice of such meeting. The attendance of a trustee at any meeting shall constitute a waiver of notice of such meeting by such trustee, except where such trustee 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 5. Quorum.** A majority of the number of trustees shall constitute a quorum for the transaction of business at any meeting of the Board of Trustees. The act of a majority of the trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees; provided that no act of the Board of Trustees shall be valid or binding unless at least four trustees concur therein. If less than a quorum is present at a meeting, a majority of the trustees present may adjourn the meeting from time to time without further notice.

**SECTION 6. Voting.** Each trustee, other than the <sup>President</sup> ~~Mayor~~, shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the Board of Trustees. The Mayor/Trustee shall only vote in the event of a tie vote among trustees constituting a quorum.

### ARTICLE III

#### TRUSTEES

**SECTION 1. General Powers.** The affairs of the Corporation shall be managed by its Board of Trustees which shall exercise all of the powers of the Corporation.

**SECTION 2. Number, Appointment, Tenure of Office and Removal.** The initial number of trustees of the Corporation shall be <sup>six (6)</sup> ~~five (5)~~; provided that the number of trustees of the Corporation shall be increased or decreased automatically and without any further action of the Board of Trustees of the Corporation or of the Governing Body of the City (including, but not limited to, any action to amend these By-Laws or the Articles of Incorporation of the

Corporation) to equal the number of members of the Governing Body of the City (Mayor and City Councilmembers) at any time as the number of the members of the Governing Body shall be increased or decreased as provided by law. The Mayor and City Council shall act as the members of the Board of Trustees of the Corporation and, upon taking office as members of the Governing Body of the City, shall be considered as appointed to the Board of Trustees of the Corporation. The term of office of each trustee shall be the period during which such trustee serves as a member of the Governing Body of the City. Each trustee shall hold office for the term for which he is appointed and until his successor shall have been appointed and qualified. No trustee shall take office unless and until he is a duly elected or appointed member of the Governing Body of the City. Any trustee who ceases to be a member of the Governing Body of the City shall simultaneously cease to be a trustee. To the extent provided by law, members of the Board of Trustees may be removed and replaced by the Mayor and City Council at any time in their discretion, upon the filing with the Secretary of the Corporation of a certified copy of a resolution directing such removal and replacement adopted by the Mayor and City Council, a copy of which resolution shall be recorded in the corporate records of the Corporation; provided, however, that only a member of the Governing Body of the City may be appointed to replace any trustee so removed.

**SECTION 3. Vacancies.** Any vacancy occurring in the Board of Trustees, including any trusteeship to be filled by reason of an increase in the number of trustees as provided in Section 2 of this Article III, shall be filled by the member of the Governing Body of the City as a result of such vacancy or as a result of the increase in the number of members of the Governing Body of the City, such appointment as a trustee to be effective upon such successor taking office as a member of the Governing Body of the City. Any such vacancy in the Board of Trustees shall remain unfilled until the election or appointment of a new member to the Governing Body of the City who shall be considered as appointed to the Board of Trustees in the manner provided in Section 2 of this Article III.

**SECTION 4. Compensation.** Neither trustees nor officers shall receive any salary for their services rendered to the Corporation except that, by resolution of the Board of Trustees, actual expenses of attendance, if any, may be allowed for attendance at meetings of the Board of Trustees. No trustee or officer shall receive compensation for serving the Corporation in any other capacity, nor shall any close relative (as hereinafter defined) of a trustee or officer receive compensation for serving the Corporation. The term "close relative" as used herein shall mean any brother or sister of any trustee or officer, the forbears and descendants of a trustee or officer or of any such brother or sister, and any spouse of a trustee or officer or any aforesaid person.

**SECTION 5. Accounting and Audits.** The Board of Trustees shall establish and maintain an appropriate accounting system. A complete audit shall be made of the Corporation's accounts, books, and financial condition after the close of each fiscal year, and a report thereon shall be submitted to the City Council.

## ARTICLE IV

### OFFICERS

**SECTION 1. Number.** The officers of the corporation shall be a President, Secretary, Treasurer and such other officers as may be determined by the Board of Trustees from time to time to perform such duties as may be designated by resolution of the Board of Trustees. Any two or more offices may be held by the same person, except the offices of President and Secretary. The President shall be a member of the Board of Trustees, but none of the other officers need be members of the Board of Trustees unless required by law.

**SECTION 2. Initial Election of Officers.** At the first meeting of the members of the Board of Trustees, the trustees shall elect a President, Secretary and Treasurer, who shall serve as the officers of the Corporation until their successors are duly elected and qualified or until they are removed as provided in Section 4 of this Article IV.

**SECTION 3. Election of Officers and Term of Office.** After the initial election of officers, the officers shall be elected by the Board of Trustees at a regular meeting called for such purpose from time to time as a vacancy occurs in any office. Each officer shall hold office until his successor shall have been duly elected and qualified or until he is removed as provided in Section 4 of this Article IV.

**SECTION 4. Removal of Officers and Agents by Board of Trustees.** Any officer or agent of the Corporation may be removed by the Board of Trustees whenever in its judgment the best interests of the Corporation will be served thereby.

**SECTION 5. President.** The President

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

(b) may sign any deeds, mortgages, deeds of trust, bonds, contracts, leases, assignments or other instruments authorized by the Board of Trustees to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Trustees or by these By-Laws to some other officer or agent of the Corporation, 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 by the Board of Trustees.

**SECTION 6. Secretary.** The Secretary shall:

- (a) keep the minutes of the meetings of the Board of Trustees in one or more books provided for that purpose;
- (b) see that all notices are duly given in accordance with these By-Laws or as required by law;
- (c) be custodian of the corporate records and of the seal of the Corporation and affix the seal of the Corporation to documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these By-Laws;
- (d) keep a register of the names and post office addresses of all members of the Board of Trustees;
- (e) have general charge of the books of the Corporation;
- (f) keep on file at all times a complete copy of the Articles of Incorporation and By-Laws of the Corporation containing all amendments thereto (which copy shall always be open to the inspection of any trustee) and, at the expense of the Corporation, forward a copy of the By-Laws and of all amendments thereto to each member of the Board of Trustees upon request; and
- (g) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Board of Trustees.

**SECTION 7. Treasurer.** The Treasurer shall (except to the extent that the Corporation may have assigned its receivables or securities):

- (a) have charge and custody of and be responsible for all funds and securities of the Corporation;
- (b) be responsible for the receipt of, and the issuance of receipts for, all monies due and payable to the Corporation and for the deposit of all such monies in the name of the Corporation in such banks, trust companies, or depositories as shall be selected in accordance with the provisions of these By-Laws; and
- (c) in general perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Trustees.

**SECTION 8. 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 Corporation in this Article IV) shall be fixed by resolution of the Board of Trustees; subject to the provisions of these By-Laws with respect to compensation for trustees and officers and close relatives of trustees and officers and close relatives of trustees and officers as provided in Section 4 of Article III hereof.

**SECTION 9. Bonds of Officers.** The Treasurer and any other officer or agent of the Corporation 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 Trustees shall determine or as may otherwise be required by law. The Board of Trustees in its discretion may also require any other officer, agent, or employee of the Corporation to give bond in such amount and with such surety as the Board of Trustees shall determine.

## ARTICLE V

### NON-PROFIT OPERATION

The Corporation shall at all times be operated on a non-profit basis. No dividend shall be paid or payable by the Corporation, and no part of the income of the Corporation shall be distributed by the Corporation, to any trustee or officer of the Corporation.

## ARTICLE VI

### ACCOMPLISHMENT OF PURPOSE

The Corporation is a public entity and an instrumentality of the State of Utah performing essential governmental functions on behalf of the City and has been organized solely for the purpose of accomplishing the public purposes for which the City exists by acquiring, improving, or extending improvements, facilities, or properties and appurtenances to them which the City is 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, which improvements, facilities, properties, and appurtenances need not be situated within the boundaries of the City and financing the costs of such improvements, facilities, or properties and appurtenances on behalf of the City. To fulfill its purpose, the Corporation 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 improvements, facilities, or properties and appurtenances to them 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 City as provided by law, and the Corporation shall forthwith tender by gift, or otherwise transfer, as provided by law, all of the Corporation's right, title and interest in and to such project to the City.

## ARTICLE VII

### DISSOLUTION

**SECTION 1. Voluntary Dissolution.** Subject to the limitations hereinafter provided, the Corporation shall be dissolved upon the affirmative vote of a majority of the members of the Board of Trustees voting upon a motion to dissolve, at a regular or special meeting of the Board of Trustees, in the manner provided by law; provided, however, that no such vote shall take

effect and no dissolution of the Corporation shall occur until the filing with the Secretary of the Corporation of a certified copy of a resolution ordering such dissolution adopted by the City Council, a copy of which resolution shall be recorded in the corporate records of the Corporation.

The Corporation may not be dissolved unless all outstanding Bonds and other obligations of the Corporation 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 2. Distribution of Assets.** Upon the dissolution of the Corporation, title to all "projects" (as such terms is defined in Section 11-29-2(5), Utah Code Annotated 1953, as amended) shall vest in the City, and all assets and net earnings of the Corporation remaining after payment or a provision has been made for the payment of all outstanding Bonds and obligations of the Corporation shall be transferred to the City.

## ARTICLE VIII

### FINANCIAL TRANSACTIONS

**SECTION 1. Contracts.** Except as otherwise provided by these By-Laws, the Board of Trustees may authorize any officer or officers, agent or agents, of the Corporation to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation, and such authority may be general or confined to specific instances.

**SECTION 2. Checks, Drafts, Etc.** All checks, drafts, or other orders for the payment of money, notes, bonds, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation in such manner as shall from time to time be determined by resolution of the Board of Trustees.

**SECTION 3. Deposits.** All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Trustees may select or as may otherwise be required by law.

**SECTION 4. Form and Execution of Bonds.** The Bonds issued by the Corporation shall be in such form as may be approved by the Board of Trustees, shall be executed in the name and on behalf of the Corporation by such officer or officers of the Corporation as shall be designated by the Board of Trustees and under the corporate seal of the Corporation, and shall be issued in compliance with the terms and conditions, and subject to the limitations, provided in the Utah Local Building Authority Act as amended from time to time, including the requirement that no Bonds may be issued by the Corporation unless the issuance of the Bonds and the terms of the Bonds have been approved by the City Council, and in compliance with the terms and conditions provided in the proceedings authorizing the issuance of the Bonds.

## ARTICLE IX

### INDEMNIFICATION OF TRUSTEES AND OFFICERS

Each trustee and officer of the Corporation, whether or not then in office, and his personal representatives, shall be indemnified by the Corporation against all expenses actually and necessarily incurred by him in connection with the defense of any action, suit, or proceeding in which he is made a party by reason of being or having been such trustee or officer, to the extent and subject to the limitations provided in the Utah Governmental Immunity Act, Chapter 30 of Title 63, Utah Code Annotated 1953, as amended, and in Chapter 30b of Title 63, Utah Code Annotated 1953, as amended.

## ARTICLE X

### AMENDMENT

These By-Laws may be altered, amended, or repealed by the affirmative vote of a majority of the trustees present at any regular or special meeting, provided a quorum as provided in these By-Laws 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 By-Laws shall take effect until a certified copy of a resolution or other proceeding approving such alteration, amendment, or repeal adopted by the City Council shall have been filed with the Secretary of the Corporation.

## ARTICLE XI

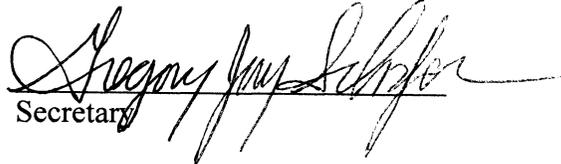
### MISCELLANEOUS

**SECTION 1. Fiscal Year.** The fiscal year of the Corporation shall be the same as the annual accounting period of the City 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.

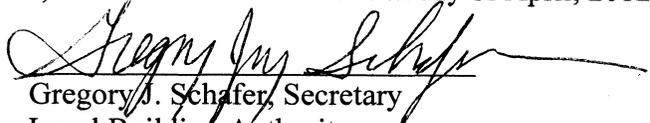
**SECTION 2. Rules and Regulations.** The Board of Trustees shall have the power to make and adopt such rules and regulations, not inconsistent with law, the Articles of Incorporation of the Corporation, or these By-Laws, as it may deem advisable for the regulation and management of the affairs of the Corporation.

**SECTION 3. Office and Principal Place of Business.** The office and principal place of business of the Corporation shall be located at the City Office, Delta, Utah.

The foregoing By Laws were approved by the Board of Trustees at the First meeting after incorporation at which a quorum was present pursuant to waiver of all trustees.

  
Secretary

I hereby certify that the foregoing is a full, true and correct copy of the By-Laws of the Local Building Authority of Delta City, a Utah non-profit corporation, adopted by the Board of Trustees of the Corporation on April 19, 2012, and as in effect on this 19th day of April, 2012.

  
Gregory J. Schafer, Secretary  
Local Building Authority  
of Delta City

**LOCAL BUILDING  
AUTHORITY OF  
DELTA CITY**