

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT
AUTHORITY AUTHORIZING THE FINANCING OF TRANSIT VEHICLES THROUGH
A MASTER EQUIPMENT LEASE-PURCHASE AGREEMENT;
AND RELATED MATTERS**

R2022-12-01

December 7, 2022

WHEREAS, the Utah Transit Authority (the “Authority”) is a large public transit district organized under the laws of the State of Utah and was created to transact and exercise all of the powers provided for in the Utah Limited Purpose Local Government Entities - Local Districts Act and the Utah Public Transit District Act; and

WHEREAS, the Board of Trustees (the “Board”) of the Authority has authority to enter into lease agreements to provide for the financing of certain equipment; and

WHEREAS, in order to finance the acquisition and installation of certain vehicles, equipment and other capital costs to be used by the Authority for the benefit of its public transit system (the “Project”), the Board finds and determines that it is necessary and in the best interests of the Authority to authorize the appropriate officials of the Authority to enter into (i) a Master Equipment Lease-Purchase Agreement (the “Master Lease”), to be supplemented as per the equipment needs of the Authority with schedules of property (the “Supplements”); and (ii) athe first supplements to the Master Lease (the “2022B Schedules” and collectively with the Master Lease, the “Lease”); and

WHEREAS, there has been presented to the Board at this meeting a form of the Lease; and

WHEREAS, the Authority has previously authorized the distribution of a Request for Proposals in connection with its lease purchase financings and the Board now desires to accept the proposal of Banc of America Public Capital Corp (the “Lessor”), with such proposal attached hereto as Exhibit B (the “Proposal”); and

WHEREAS, in order to allow the Authority flexibility in timing the execution of the Lease and to minimize costs to the Authority, the Board desires to grant to any two of the Treasurer, Comptroller, or Executive Director of the Authority (each a “Designated Officer”) the authority to (a) approve the principal amounts, interest rates, terms, description of equipment, and other pricing terms of the lease and (b) authorize any two of the Designated Officers to execute a finalized version of the Lease; and

NOW, THEREFORE, it is hereby resolved by the Board of Trustees of the Utah Transit Authority, as follows:

1. Terms defined in the foregoing recitals shall have the same meaning when used in the body of this Resolution.

2. For the purpose of providing funds to be used for the financing of the Project, the Board hereby authorizes the Designated Officers of the Authority to enter into the Lease all within the parameters set forth in Section 4 hereof. The execution of the Lease shall be subject to the final advice of counsel for the Authority.
3. The form of the Lease substantially as presented to this meeting and attached hereto as Exhibit A is hereby authorized, approved and confirmed. All terms and provisions of the Lease are hereby incorporated in this Resolution. The Designated Officers of the Authority are hereby authorized to approve the final terms for the Lease and the Designated Officers may execute and deliver the Lease in substantially the same form and with substantially the same content as the form of the Lease presented at this meeting for and on behalf of the Authority with final terms as may be established for the Lease within the parameters set forth herein and with such alterations, changes or additions as may be necessary or as may be authorized by Section 5 hereof. The Designated Officers of the Authority are hereby authorized to specify and agree as to the final principal amounts, interest rates, terms, description of equipment, and other pricing terms with respect to the Lease for and on behalf of the Authority and any changes thereto from those terms which were before the Board at the time of adoption of this Resolution, provided such terms are within the parameters set by this Resolution, with such approval to be conclusively established by the execution of the Lease by the Designated Officers.
4. In order to finance the Project, the Board hereby finds and determines that it is in the best interests of the Authority and residents within the Authority, for the Authority to enter into an initial lease arrangement with substantially the same provisions of the Lease, with an aggregate principal amount for the 2022B Schedule of not more than \$49,300,000, to bear interest at an interest rate of not to exceed a calculation based upon 79% of the ~~Tax-Exempt~~average-life SOFR Swaps Based Index rates, as provided in Lessor's Proposal attached hereto as Exhibit B, plus a spread of not to exceed (i) .3621% for a six year lease, (ii) .5324% for an eight year lease, (iii) .5347 for a ten year least and (iv) .8521% for a fourteen year lease, plus any rate lock options as may be approved by the Designated Officers, and terms of not to exceed fourteen years, as shall be approved by the Designated Officers, all within the Parameters set forth herein (the "Parameters"). The Designated Officers may approve and execute the Lease, within the Pparameters—described herein, following adoption of this Resolution.
5. The Designated Officers are authorized to make any alterations, changes or additions to the Lease or any other document herein authorized and approved which may be necessary to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, to conform the same to other provisions of said instruments, to the provisions of this resolution or any resolution adopted by the Board or the provisions of the laws of the State of Utah or the United States or to the agreement with the lessor.

6. Any of the Designated Officers are hereby authorized and directed to execute and deliver for and on behalf of the Board and the Authority any or all additional certificates, documents and other papers (including escrow and investment agreements) and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.
7. The Board hereby accepts the offer of the Lessor to the Lease, with the terms as prescribed in the Proposal attached hereto as Exhibit B, as permitted by law and with the advice of counsel.
8. On March 23, 2022, the Treasurer signed on behalf of the Authority, an intention and reasonable expectation of the Authority to use up to \$14,000,000 of proceeds of tax-exempt lease-purchase agreements to reimburse itself for expenditures for costs of the Project. The lease-purchase agreements are to be executed and the reimbursements made, by the later of 18-months after the payment of the costs or after the Project is placed in service, but in any event, no later than three years after the date the original expenditure was paid.
9. The Authority hereby declares its intention and reasonable expectation to use proceeds from the lease financings to reimburse itself for expenditures for costs of the Project. The Authority intends that the Leases are to be executed and the reimbursements are to be made by the later of 18-months after the payment of the costs or after the Project is placed in service, but in any event, no later than three years after the date the original expenditures was paid. The Authority anticipates that the maximum principal amount of the Leases executed to finance the Project will not exceed \$237,978,154.
10. The Designated Officers are hereby authorized to take all action necessary or reasonably required by the Lease to carry out, give effect to and consummate the transactions as contemplated thereby and are authorized to take all action necessary in conformity with the Act.
11. As permitted by Section 17B-1-102(3) of the Utah Code, the Board hereby elects to not treat the Lease as a bond for purposes of Utah Code Title 11, Chapter 14, Local Government Bonding Act or Title 11, Chapter 27, Utah Refunding Bond Act.
12. If any provisions of this Resolution should be held invalid, the invalidity of such provisions shall not affect the validity of any of the other provisions of this Resolution.
13. All resolutions of the Board or parts thereof inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as revising any bylaw, order, resolution or ordinance or part thereof.
14. This Resolution shall become effective immediately upon its adoption.

Approved and adopted this 7th day of December, 2022.

Carlton Christensen, Chair
Board of Trustees

ATTEST:

Secretary of the Authority

(Corporate Seal)

Approved As To Form:

Legal Counsel

EXHIBIT A
FORM OF LEASE

EXHIBIT B

RFP AND PROPOSAL