

July 22, 2015

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: University of Utah – Orson Spencer Hall Replacement and Prior Lien Bond Refunding Series 2015C Revenue Bond Issue

Issue

The University of Utah has requested authorization to issue a Series 2015C General Revenue Bond (GRB) for the following:

- Orson Spencer Hall (OSH) Replacement – This project was approved by the 2015 legislature with an authorization to issue a revenue bond of up to \$45 million plus other amounts necessary to pay the costs of issuance, capitalized interest, and funding for any debt service reserve requirements.
- Prior Lien Revenue Bond and Commercial Paper Refunding – This is a request to authorize up to \$100 million for continuation of the process of looking for market opportunities to refund all or portions of currently outstanding bonds in the Auxiliary and Campus Facilities, Hospital, and Research Facilities revenue bond systems with GRB system revenue bonds; and also to refund portions of outstanding commercial paper where financially justified.

Background

Although construction of the project is not expected until 2016, the University desires to receive bonding approval now to have the flexibility to issue the debt while rates are still favorable. As a result, for the OSH Replacement portion of the bond, the University estimates a potential need to finance 2.5 to 3 years of capitalized interest plus the needing to insure that it has sufficient market pricing flexibility in an original issue discount-only environment.

The parameters of the proposed issue are:

- Principal amount not to exceed \$157 million of which \$57 million pertains to the OSH Replacement project
- Interest rate not to exceed 5.5%
- Discount from par not to exceed 2%
- Final maturity not to exceed 25 years

The best time to actually issue the bonds for the OSH project is currently being evaluated by the University and its Municipal Advisor. Regent approval at this time will enable an expedited issuance should market

conditions suddenly improve or avoid the downside of a surge in long-term interest rates. The University's Municipal Advisor has estimated that the University's cost of borrowing would only have to rise approximately 25 basis points in one year for it to reach a break-even position compared to today's interest rates.

Copies of the University's request, a Financing Summary, and the Approving Resolution are attached for your information. Representatives from the University and the University's Bond Counsel will be present at the meeting to address questions from the Board.

Commissioner's Recommendation

The Commissioner recommends approval of the proposed Authorizing Resolution for issuance of this Series 2015C Revenue Bond to finance replacement of Orson Spencer Hall and to refund existing debt as proposed.

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David L. Buhler  
Commissioner of Higher Education

DLB/GLS/WRH  
Attachments

July 7, 2015

Mr. David Buhler  
Commissioner, Utah System of Higher Education  
Board of Regents Building  
The Gateway  
60 South 400 West  
Salt Lake City, UT 84101-1284

Dear Commissioner Buhler:

The purpose of this letter is to inform you of the University of Utah's plans to submit a resolution (the "Resolution") to the State Board of Regents of the State of Utah (the "Regents" or the "Board"), to be considered during its July 2015 meeting at Southern Utah University, for the issuance of a General Revenue Bond on behalf of the University of Utah (the "University") for the financing of the redevelopment of Orson Spencer Hall.

Within the same Resolution, the University will also be asking the Regents for the approval of refunding of up to \$100 million of "Prior Lien Bonds" of the University where savings opportunities may exist.

Details of these issues are as follows:

**Authorization to Bond up to \$45,000,000 for project costs associated with the Orson Spencer Hall Redevelopment Project** - The current Orson Spencer Hall ("OSH") has well exceeded its useable life span. A myriad of issues exist that make its continued use inefficient and unpalatable. OSH is the most heavily used teaching and learning facility on the University campus. This project includes the demolition of the existing structure and the replacement with a new structure.

The University received bonding authorization for this project during the 2015 Legislative Session of up to \$45.0 million for project costs, together with other amounts necessary to pay costs of issuance, capitalized interest, and fund any debt service reserve requirements, if necessary. Because the timing of the bond issuance is uncertain, The University requires sufficient market pricing flexibility to allow for an original issue discount environment. This could potentially, although not likely, increase the par value of the total debt by several million dollars.

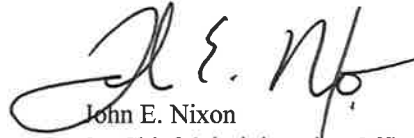
Although the demolition and construction of the project is not expected until 2016, the University desires to receive the bonding approval now to give it the flexibility to issue debt while interest rates are still favorable. The University is working with its Financial Advisor to determine the best time to issue the debt.

**Authorization to Refund up to \$100,000,000 of 'Prior Lien' Revenue Bonds** - The University is continually looking for market opportunities to refund—primarily for savings purposes—all or portions of its outstanding 'Prior Lien Bonds' which are defined as bonds currently outstanding in the following three systems: 1) Auxiliary and Campus Facilities; 2) Hospital Revenue Bond; and 3) Research Facilities Revenue Bond. Following an updated general plan of finance, which was articulated in 2013, as Prior Lien Bonds become refunding candidates, the University will refund them into its new General Revenue Bond ("GRB") system having closed the lien on each of the Prior Lien Bond indentures. In addition, the University will also be looking for opportunities to refund portions of its outstanding commercial paper.

Given interest rates in today's municipal market, the University is always reviewing refunding candidates that may exist among these outstanding Prior Lien Bonds or its outstanding commercial paper and which the University may consider as part of a refunding. Timing of these refunding opportunities is critical to achieving savings necessary.

Please feel free to call me should you or others have questions about the details of this funding request.

Sincerely,

A handwritten signature in black ink, appearing to read "John E. Nixon". The signature is fluid and cursive, with a large initial "J" and "N".

John E. Nixon

Sr. Chief Administrative Officer & CFO

cc: David W. Pershing, President  
Dr. Gregory Stauffer  
Arnold B. Combe  
Ralph Hardy  
Kelly Murdock  
Blake Wade  
Robert Muir



RBC Capital Markets®

RBC Capital Markets, LLC  
Municipal Finance  
299 South Main Street, Suite 2000  
Salt Lake City, Utah 84111

## **FINANCING SUMMARY**

**For**

**\$57,000,000\***

**State Board of Regents of the State of Utah  
UNIVERSITY OF UTAH  
General Revenue Bonds  
Series 2015C\* Bonds**

**Request for Approval**

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Purpose (OSH Project):

The purpose for the issuance of the Series 2015C Bonds is to finance \$45 million of bonding authorized by the Utah State Legislature in its 2015 Session for construction of the estimated \$60 million ‘Orson Spencer Hall Redevelopment’ Project (the ‘OSH Project’). In addition to borrowing the legislatively-approved amount of \$45 million, the authorization allows the University to borrow sufficient amounts to finance capitalized interest and also pay costs of issuance. The University currently estimates needing approximately 2.5 to 3 years of capitalized interest, or approximately \$4 million, plus needing to assure that it has sufficient market pricing flexibility which could approach \$6 to \$7 million in an original issue discount-only environment. An additional \$500,000 could also be needed for necessary costs of issuance.

Purpose (Refunding):

As part of the University’s request, Regent approval is also being sought to extend refunding authorization of up to \$100 million of ‘Prior Lien’ revenue bonds and Commercial Paper.

The University is constantly evaluating refunding opportunities for its outstanding debt and seeks the Regents' approval to extend this authorization for purposes of being able to respond more quickly to changing interest rate environments.

Not-to-Exceed Par Amount: \$57 million for the OSH Project

Not-to-Exceed Maturity: 25-years (The University's current plan is to amortize the OSH Project debt over a period of 10-years).

Security: The Series 2015C Bonds are payable from and secured by a General Revenue pledge which consists of substantially all of the income and revenues of the University authorized to be pledged.

Ratings: 'Aa1' and 'AA' ratings are expected to be reaffirmed by Moody's Investors Service and Standard and Poor's Corporation, respectively. The University also stands a chance of receiving an upgrade of its S&P rating to 'AA+' based upon improving enrollment trends and the continued strength of the University of Utah Hospitals and Clinics.

Method of Sale: Negotiated public offering using underwriters from the University's Underwriter Pool (TBD).

All-in True Interest Cost: **TBD (2.50% to 2.75% in today's market is estimate for OSH Project)**

***Sale Date: The University is currently trying to gauge the best time for issuing bonds for the OSH Project. Regent approval is currently being sought at this time to allow an expedited issuance should market conditions suddenly improve or to avoid a surge in long-term interest rates. The University's Municipal Advisor has estimated that the University's cost of borrowing would only have to rise approximately 25 basis points in one year for it to reach a break-even position compared to today's interest rates.***

Closing Date: TBD

Principal Payment Dates: August 1  
Interest Payment Dates: August 1 and February 1  
Interest Basis: 30/360  
Optional Redemption: May be non-callable or subject to redemption as determined at the time of sale.

Other Not-to-Exceed Parameters:

**Coupon:** 5.50%  
**Discount from Par:** 2.00% of par  
**Purchaser's Discount:** 0.60% of par  
**Optional Redemption:** May be non-callable or callable at the option of the University as determined at the time of the sale  
**Final Maturity:** 25-years from the date thereof

University Contacts: Mr. Arnold Combe, Vice President for Administrative Services (801-581-6404)  
Mr. John Nixon, Sr. Chief Administrative Officer/CFO (801-585-0806)  
Bond Counsel: Mr. Blake Wade, Ballard Spahr LLP (801-531-3000)  
Municipal Advisor: Mr. Kelly Murdock, RBC Capital Markets (801-656-2928)

\*Preliminary, subject to change

APPROVING RESOLUTION  
UNIVERSITY OF UTAH  
GENERAL REVENUE AND REFUNDING BONDS

Cedar City, Utah

July 31, 2015

The State Board of Regents of the State of Utah (the "Board") met in regular session (including by electronic means) at Southern Utah University in Cedar City, Utah on July 31, 2015, commencing at 9:00 a.m. The following members were present:

Daniel W. Campbell	Chair
France A. Davis	Vice Chair
Jessie B. Anderson	Member
Nina Barnes	Member
Bonnie Jean Beesley	Member
Leslie Castle*	Member
Wilford W. Clyde	Member
James T. Evans**	Member
Brady Harris	Student Regent
Marlin K. Jensen	Member
Robert S. Marquardt	Member
Jefferson Moss*	Member
Jed H. Pitcher	Member
Robert W. Prince	Member
Harris H. Simmons	Member
Mark R. Stoddard	Member
Teresa L. Theurer	Member
Joyce P. Valdez	Member
John H. Zenger	Member

Absent:

Also Present:

David L. Buhler	Commissioner of Higher Education
Loreen Olney	Secretary

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\* Non-voting member from State Board of Education

\*\* Non-voting member from Utah College of Applied Technology



After the meeting had been duly convened and called to order by the Chair, the roll had been called with the above result and after other matters not pertinent to this Resolution had been discussed, the Chair announced that one of the purposes of the meeting was the consideration of various matters with respect to the issuance and sale of the State Board of Regents of the State of Utah University of Utah General Revenue and Refunding Bonds.

The following resolution was introduced in written form and after full discussion, pursuant to motion made by Regent \_\_\_\_\_ and seconded by Regent \_\_\_\_\_, was adopted by the following vote:

AYE:

NAY:

The resolution is as follows:

## RESOLUTION

A RESOLUTION OF THE STATE BOARD OF REGENTS OF THE STATE OF UTAH AUTHORIZING THE ISSUANCE AND SALE OF ITS UNIVERSITY OF UTAH GENERAL REVENUE AND REFUNDING BONDS, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$157,000,000; AUTHORIZING THE EXECUTION OF SUPPLEMENTAL INDENTURES, BOND PURCHASE AGREEMENTS, OFFICIAL STATEMENTS, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the State Board of Regents of the State of Utah (the "Board") is established and exists under and pursuant to Section 53B-1-103, Utah Code Annotated 1953, as amended (the "Utah Code"); and

WHEREAS, pursuant to the provisions of Title 53B, Chapter 1, Utah Code, the Board is authorized to act as the governing authority of University of Utah (the "University") for the purpose of exercising the powers contained in Title 53B, Chapter 21, Utah Code and Title 11, Chapter 27, Utah Code (collectively, the "Act"); and

WHEREAS, in 2013 and 2014, the Board adopted resolutions (collectively, the "Prior Resolutions") authorizing the issuance of general revenue and refunding bonds of the University for the purpose of financing and refinancing various projects and provided that the University could issue such bonds in multiple series and from time to time for a period through July 19, 2015; and

WHEREAS, pursuant to the Prior Resolutions and a General Indenture of Trust dated as of July 1, 2013, between the Board and Wells Fargo Bank, N.A., as trustee (the "Trustee"), as heretofore amended and supplemented (the "General Indenture"), the Board has issued, for and on behalf of the University, various series of its General Revenue and Refunding Bonds to finance the projects authorized by the Prior Resolutions and to refund bonds and commercial paper of the University resulting in significant savings to the University; and

WHEREAS, pursuant to Section 63B-24-102(1) of the Utah Code, the Board is authorized to issue bonds for the purpose of constructing Orson Spencer Hall Redevelopment (the "Project") in an amount not to exceed \$45,000,000, together with other amounts necessary to pay costs of issuance, to pay capitalized interest and fund any debt service reserve requirements; and

WHEREAS, the Board now desires to (i) authorize the issuance of the bonds authorized by 63B-24-102(1) of the Utah Code, in the amount of up to \$57,000,000 (providing a net project amount of not to exceed \$45,000,000) for the purpose of

financing the OSH Project (including capitalized interest), (ii) authorize the issuance of additional bonds for the purpose of refunding any bonds or commercial paper of the University in the amount of up to \$100,000,000 and (iii) pay costs of issuance related thereto; and

WHEREAS, to accomplish the purposes set forth in the preceding recital, the Board desires to authorize and approve the issuance and sale of its University of Utah General Revenue and Refunding Bonds (with such additional or other title and/or series designation(s) as may be determined by the officers of the Board) in one or more series and to be issued from time to time (the "Bonds") in an aggregate principal amount of not to exceed \$157,000,000 pursuant to the General Indenture and one or more Supplemental Indentures of Trust between the Board and the Trustee (each a "Supplemental Indenture" and collectively with the General Indenture, the "Indenture"); and

WHEREAS, the Bonds shall be payable solely from the University's revenues and other moneys pledged therefor in the Indenture and shall not constitute nor give rise to a general obligation or liability of the Board, the University or the State of Utah or constitute a charge against their general credit; and

WHEREAS, there has been presented to the Board at this meeting a form of a Bond Purchase Agreement (the "Bond Purchase Agreement") to be entered into among the Board, the University and the underwriters or purchasers for the Bonds (the "Purchaser"), a form of a Preliminary Official Statement relating to the Bonds, in the event the Bonds are publicly sold (the "Preliminary Official Statement"), and a form of Supplemental Indenture; and

WHEREAS, the Board desires to grant to the Chair and/or Vice Chair of the Board and/or the Chair of the Finance, Facilities and Accountability Committee of the Board, the authority to approve the interest rates, principal amount, terms, maturities, redemption features, and purchase prices at which the Bonds shall be sold and any changes with respect thereto from those terms which were before the Board at the time of adoption of this Resolution; provided such terms do not exceed the parameters set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF REGENTS OF THE STATE OF UTAH, AS FOLLOWS:

Section 1. All terms defined in the foregoing recitals hereto shall have the same meanings when used herein.

Section 2. All actions heretofore taken (not inconsistent with the provisions of this resolution) by the Board and the University and the officers of the Board or the University directed toward the issuance of the Bonds are hereby ratified, approved and confirmed.

Section 3. The Board hereby authorizes, approves and directs the use and distribution of the Preliminary Official Statements substantially in the form of the Preliminary Official Statement presented to the Board at this meeting in connection with

the offering and sale of the Bonds, in the event the Bonds are publicly sold. The Chair, Vice Chair and/or Chair of the Finance, Facilities and Accountability Committee of the Board and the President, Vice President for Administrative Services and/or Senior Chief Administrative Officer and CFO of the University are hereby authorized to execute and deliver on behalf of the Board and the University final Official Statements in substantially the same form and with substantially the same content as the form of the Preliminary Official Statement presented to this meeting with any such alterations, changes or additions as may be necessary to finalize each Official Statement. The preparation, use and distribution of the Official Statements are also hereby authorized. The Board and the University may elect to privately place the Bonds with or without the use of an Official Statement.

Section 4. Supplemental Indentures in substantially the form presented to this meeting are in all respects authorized, approved and confirmed. The Chair, Vice Chair and/or Chair of the Finance, Facilities and Accountability Committee and Secretary of the Board and the President, Vice President for Administrative Services and/or Senior Chief Administrative Officer and CFO of the University are hereby authorized to execute and deliver the Supplemental Indentures in substantially the same form and with substantially the same content as the form of such document presented to this meeting for and on behalf of the Board and the University with such alterations, changes or additions as may be authorized by Section 8 hereof.

Section 5. For the purpose of providing funds to be used for (i) financing the cost of the Project (including capitalized interest), (ii) refunding all or any portion of the outstanding bonds or commercial paper issued by the Board on behalf of the University and (iii) paying costs of issuance of the Bonds, the Board hereby authorizes the issuance of the Bonds, from time to time and in one or more series, in the aggregate principal amount of not to exceed \$157,000,000. The Bonds shall mature on such date or dates, be subject to redemption, and bear interest at the rates as shall be approved by the Chair or Vice Chair of the Board or the Chair of the Finance, Facilities and Accountability Committee, all within the parameters set forth on Exhibit A attached hereto and incorporated herein by reference. The issuance of the Bonds shall be subject to the final advice of Bond Counsel and to the approval of the office of the Attorney General of the State of Utah. The Bonds authorized herein may be issued at any time prior to January 31, 2017, with the option of the Board to extend this authorization in the future.

Section 6. The form, terms and provisions of the Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, interest rates, redemption and number shall be as set forth in the Indenture. The Chair, Vice Chair and/or Chair of the Finance, Facilities and Accountability Committee and the Secretary of the Board and the President, Vice President for Administrative Services and/or Senior Chief Administrative Officer and CFO of the University are hereby authorized to execute and seal by manual or facsimile signature the Bonds and to deliver the Bonds to the Trustee for authentication. All terms and provisions of the Indenture and the Bonds are hereby incorporated in this Resolution. The appropriate officials of the Board and the University are hereby authorized to execute and deliver to the Trustee the written order of

the Board for authentication and delivery of the Bonds in accordance with the provisions of the Indenture.

Section 7. The Bonds shall be sold to the Purchasers with a Purchaser's discount of not to exceed 0.60% of the face amount of the Bonds. Bond Purchase Agreements in substantially the form presented to this meeting are hereby authorized, approved and confirmed. The Chair or Vice Chair of the Board and/or the Chair of the Finance, Facilities and Accountability Committee and the President, Vice President for Administrative Services and/or Senior Chief Administrative Officer and CFO of the University are hereby authorized to execute and deliver the Bond Purchase Agreements in substantially the same form and with substantially the same content as the form of the Bond Purchase Agreement presented at this meeting for and on behalf of the Board with final terms as may be established for the Bonds within the parameters set forth herein and with such alterations, changes or additions as may be necessary or as may be authorized by Section 8 hereof. The Chair or Vice-Chair of the Board and/or the Chair of the Finance, Facilities and Accountability Committee and the President, Vice President for Administrative Services and/or Senior Chief Administrative Officer and CFO of the University are hereby authorized to specify and agree as to the final principal amounts, terms, discounts, maturities, interest rates, redemption features and purchase price with respect to the Bonds for and on behalf of the Board and the University 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 related Bond Purchase Agreement and Supplemental Indenture. In the event that the foregoing officers determine that all or any portion of the Bonds should be privately placed, the Bond Purchase Agreements and Supplemental Indentures may be modified to conform to the agreement with such Purchasers, including agreement to pay breakage fees, default rates, taxable rates and other similar provisions customary in such placements, provided that such obligations are limited to the sources provided under the Indenture.

Section 8. The appropriate officials of the Board and the University, including without limitation the Chair or Vice Chair of the Board and/or the Chair of the Finance, Facilities and Accountability Committee and the President, Vice President for Administrative Services and/or Senior Chief Administrative Officer and CFO of the University are authorized to make any alterations, changes or additions to the Indenture, the Bonds, the Bond Purchase Agreement, the Preliminary Official Statement, the Official Statement, 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 permit the private placement or public sale of the Bonds, to conform such documents to the terms established for the Bonds and to update such documents with current information and practices.

Section 9. The appropriate officials of the Board and the University, including without limitation the Chair, Vice Chair, the Chair of the Finance, Facilities and Accountability Committee, Commissioner of Higher Education and Secretary of the

Board and the President, Vice President for Administrative Services and/or Senior Chief Administrative Officer and CFO of the University, are hereby authorized and directed to execute and deliver for and on behalf of the Board and the University any or all additional certificates, documents and other papers 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.

Section 10. The appropriate officers of the Board and the University, including without limitation the Chair, Vice Chair, the Chair of the Finance, Facilities and Accountability Committee, Commissioner of Higher Education and Secretary of the Board and the President, Vice President for Administrative Services and/or Senior Chief Administrative Officer and CFO of the University are hereby authorized to take all action necessary or reasonably required by the Indenture, the Preliminary Official Statement, the Official Statement, or the Bond Purchase Agreement 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.

Section 11. Upon their issuance, the Bonds will constitute special limited obligations of the Board payable solely from and to the extent of the sources set forth in the Indenture. No provision of this Resolution, the Bonds, the Bond Purchase Agreement, the Official Statement, the Indenture or any other instrument executed in connection with the issuance of the Bonds, shall be construed as creating a general obligation of the Board or the University, or of creating a general obligation of the State of Utah or any political subdivision thereof, nor as incurring or creating a charge upon the general credit of the Board, the University, the State of Utah or any political subdivision thereof.

Section 12. In accordance with the provisions of the Section 11-27-4, Utah Code, the Board shall cause the following "Notice of Bonds to be Issued" to be (i) published one (1) time in the Deseret News, a newspaper of general circulation in the State of Utah, (ii) posted on the Utah Public Notice Website (<http://pmn.utah.gov>) and (iii) posted on the Utah Legal Notices website ([www.utahlegals.com](http://www.utahlegals.com)) created under Section 45-1-101, Utah Code Annotated 1953, as amended, and shall cause a copy of this Resolution and the Indenture to be kept on file in the Board's office in Salt Lake City, Utah, for public examination during the regular business hours of the Board until at least thirty (30) days from and after the date of publication thereof. The "Notice of Bonds to be Issued" shall be in substantially the following form:

## NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, that on July 31, 2015, the State Board of Regents of the State of Utah (the "Board") adopted a resolution (the "Resolution") in which it authorized the issuance of the Board's University of Utah General Revenue and Refunding Bonds (with such other or further designation as the officers of the Board may determine) (the "Bonds") in the aggregate principal amount of not to exceed One Hundred Fifty-Seven Million Dollars (\$157,000,000), to bear interest at a rate or rates of not to exceed five and one-half percent (5.50%) per annum, to mature not later than twenty-five (25) years from the date thereof and to be sold at a price or prices not less than 98% of the total principal amount thereof, for the purpose of refunding a portion of the Board's outstanding revenue bonds issued to finance facilities and improvements for the University of Utah (the "University"), funding the Orson Spencer Hall Redevelopment for the University and paying costs of issuance of the Bonds.

The Bonds are to be issued and sold by the Board pursuant to the Resolution, including as part of said Resolution a form of a General Indenture of Trust previously executed by the Board and the University and a Supplemental Indenture of Trust (collectively, the "Indenture").

The Bonds are secured by a pledge of revenues of the University auxiliary and campus facilities system, hospital system, research facilities and other legally available moneys of the University (as described in the Indenture).

A copy of the Resolution and the Indenture are on file in the office of the Board at 60 South 400 West, 5<sup>th</sup> Floor, Salt Lake City, Utah, where they may be examined during regular business hours of the Board from 8:00 a.m. to 5:00 p.m. for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Indenture (but only as it relates to the Bonds), or the Bonds, or any provision made for the security and payment of the Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality or legality thereof for any cause whatsoever.

DATED this 31<sup>st</sup> day of July, 2015.

\_\_\_\_\_  
/s/ Loreen Olney  
Secretary

Section 13. After the Bonds are delivered by the Trustee to or for the account of the Purchaser and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the Bonds are deemed to have been fully discharged in accordance with the terms and provisions of the Indenture.

Section 14. 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.

Section 15. 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 reviving any bylaw, order, resolution or ordinance or part thereof.

Section 16. This Resolution shall become effective immediately upon its adoption.



PASSED AND APPROVED BY THE STATE BOARD OF REGENTS OF THE  
STATE OF UTAH THIS 31ST DAY OF JULY, 2015.

STATE BOARD OF REGENTS OF THE  
STATE OF UTAH

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Chair

ATTEST:

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Secretary

After the conduct of other business not pertinent to the above, the meeting was, on motion duly made and seconded, adjourned.

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Chair

ATTEST:

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Secretary

STATE OF UTAH                    )  
  : ss.  
COUNTY OF SALT LAKE    )

I, Loreen Olney, do hereby certify that I am the duly qualified and acting Secretary of the State Board of Regents of the State of Utah.

I further certify that the above and foregoing constitutes a true and correct copy of an excerpt of the minutes of a meeting of said Board held on July 31, 2015 and of a resolution adopted at said meeting, as said minutes and resolution are officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of said Board this 31<sup>st</sup> day of July, 2015.

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Secretary

(SEAL)

STATE OF UTAH                    )  
  : ss.  
COUNTY OF SALT LAKE        )

I, Loreen Olney, the undersigned, the duly qualified and acting Secretary of the State Board of Regents of the State of Utah, do hereby certify, according to the records of said State Board of Regents in my official possession, and upon my own knowledge and belief, that:

(a) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, public notice was given of the agenda, date, time and place of the July 31, 2015 public meeting held by the Members of the State Board of Regents by causing a Notice of Public Meeting, in the form attached hereto as Schedule 1 to be: (i) posted at the principal office of the State Board of Regents at 60 South 400 West, Salt Lake City, Utah, on July \_\_\_\_, 2015, at least 24 hours prior to the convening of such meeting, said Notice of Public Meeting having continuously remained so posted and available for public inspection during the regular office hours of the State Board of Regents until the convening of the meeting; (ii) published on the Utah Public Notice Website (<http://pmn.utah.gov>), at least 24 hours prior to the convening of such meeting; and (iii) provided on July \_\_\_\_, 2015, at least 24 hours prior to the convening of such meeting, to the Deseret News and The Salt Lake Tribune, newspapers of general circulation within the geographic jurisdiction of the State Board of Regents, and to each local media correspondent, newspaper, radio station or television station which has requested notification of meetings of the State Board of Regents;

(b) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, public notice of the 2015-2016 Annual Meeting Schedule of the State Board of Regents was given, specifying the date, time and place of the regular meetings of the State Board of Regents scheduled to be held during the year, by causing a Notice of Annual Meeting Schedule for the State Board of Regents, in the form attached hereto as Schedule 2, to be (i) posted at the principal office of the State Board of Regents at 60 South 400 West, Salt Lake City, Utah in August 2014; (ii) provided in August 2014 to a newspaper of general circulation within the geographic jurisdiction of the State Board of Regents, and (iii) published on the Utah Public Notice Website (<http://pmn.utah.gov>) during the current calendar year; and

(c) the State Board of Regents has adopted written procedures governing the holding of electronic meetings in accordance with Section 52-4-207 Utah Code Annotated 1953, as amended (a copy of which is attached hereto as Schedule 3). In accordance with said Section and the aforementioned procedures, notice was given to each member of the State Board of Regents and to members of the public at least 24 hours before the meeting to allow members of the State Board of Regents and the public to participate in the meeting, including a description of how they could be connected to the meeting. The State Board of

Regents held the meeting (the anchor location) in the building where it normally meets and provided space and facilities at the anchor location so that interested persons and the public could attend and participate.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of the State Board of Regents of the State of Utah, this 31<sup>st</sup> day of July, 2015.

(SEAL)

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Secretary

SCHEDULE 1

NOTICE OF PUBLIC MEETING

(See Transcript Document No. \_\_\_\_)

SCHEDULE 2

NOTICE OF ANNUAL MEETING SCHEDULE

(See Transcript Document No. \_\_\_\_)

SCHEDULE 3

ELECTRONIC MEETING POLICY



EXHIBIT A

PARAMETERS OF THE BONDS

Principal amount not to exceed	\$157,000,000 – with \$57,000,000 for the OSH Project (providing a net project amount of not to exceed \$45,000,000) and up to \$100,000,000 for refunding purposes.
Interest rate not to exceed	5.50%
Discount from par not to exceed	2.0%
Final maturity not to exceed	Twenty-Five (25) years from the date thereof
May be non-callable or callable at the option of University as determined at the time of sale	