



UTAH SYSTEM OF
HIGHER EDUCATION

MEMORANDUM

TAB A

May 20, 2021

Weber State University – Series 2021 Revenue Bonds

Board Policy R590, Issuance of Revenue Bonds for Colleges and Universities, requires the Board to review and approve the issuance and sale of revenue bonds that have been affirmatively authorized by the Utah State Legislature. Weber State University requests Board authorization to issue up to \$8,800,000 of Student Facilities System Revenue Bonds for the construction of the Noorda Engineering and Applied Science building, as approved by the Board in October 2020 and authorized in the 2021 Legislative Session (S.B. 143).

The relevant parameters of the requested issue are:

- Principal amount not to exceed \$8,800,000 (including costs of issuance and capitalized interest)
- Interest rate not to exceed 5%
- Discount from par not to exceed 2%
- Final maturity not to exceed 25 years from the date of issue

A copy of the request letter from the university, a financing summary from the financial advisor, and the Approving Resolution are attached. Representatives from the university will attend the meeting to provide additional information and answer questions from the Board.

Commissioner's Recommendations

The Commissioner recommends approval of the proposed Authorizing Resolution to issue Student Facilities System Revenue bonds for Weber State University.

Attachments



WEBER STATE UNIVERSITY

April 27, 2021

Commissioner David Woolstenhulme
Utah State Board of Higher Education
Board of Regents Building, The Gateway
60 South 400 West
Salt Lake City, UT 84101-1284

Dear Commissioner Woolstenhulme:

Weber State University seeks authorization to issue revenue bonds as part of the financing plan for the Noorda Engineering Building project on WSU's Ogden Campus.

As background, most of the funding for the Noorda Engineering Building has been in place since 2020 and construction is well under way. In addition to state funding and private gifts, the financing plan for the building also includes \$8.5 million in revenue bond proceeds. The revenue bonds will be serviced by lease revenue from the Northern Utah Academy for Math Engineering and Science (NUAMES)--a charter high school that has partnered in multiple ways with WSU.

The 2021 Utah State Legislature authorized \$8.5 million in revenue bonds for this purpose. The University desires to move forward quickly with the bond issue to take advantage of the current favorable interest rate environment.

Overall funding for the project total's \$64 million. The scope of the project is approximately 140,000 square feet of new or improved space and a significant investment in additional campus infrastructure. The bonding team assembled includes Zions Bank Capital Markets as financial advisor and Chapman & Cutler as bond counsel. It is anticipated that the bonds will be sold through a competitive bid process.

Please place this item on the next Utah State Board of Higher Education action agenda.

Sincerely,

A handwritten signature in purple ink, appearing to read 'Norm Tarbox'.

Norm Tarbox
Vice President for Administrative Services

Weber State University
Student Facilities System Revenue Bonds, Series 2021
Preliminary Summary Sheet

Proposed Issue: Student Facilities System Revenue Refunding Bonds

Total Approximate Issue Size: \$8,075,000

Use of Funds: To provide up to \$8,500,000 to finance the costs of constructing the Noorda Engineering and Applied Science building, together with other amounts necessary to pay capitalized interest, pay costs of issuance, and fund a debt service reserve.

Details of Proposed Series 2021 Bonds:

Principal Amount: Not to exceed \$8,800,000

Interest Rate: Not to exceed 5%

Maturity Date: Not to exceed 25 years

Aggregate Discount: Not to exceed 2%

Bond Rating: AA from S&P utilizing the State Moral Obligation

Bond Insurance/
Surety Bond: TBD, provided by AGM or BAM

Source of Repayment: Student Facilities System Revenues

Timetable Considerations: Board of Higher Education approval will be sought at the May 21 meeting. The University is proceeding with plans to sell bonds soon after approval is received, with a tentative sale date planned for Thursday, June 17, 2021. The University anticipates selling bonds by competitive sale, and the underwriter will be whichever provides the lowest borrowing cost as a combination of each bidder's proposed rates and fees. The anticipated closing date is June 29, 2021.

May 21, 2021

The Utah Board of Higher Education (the “*Board*”) met in regular session, by electronic means, on May 21, 2021, commencing at 8:00 a.m. The following members of the Board were present:

Harris H. Simmons	Chair
Nina Barnes	Vice Chair
Jessellie Barlow Anderson	Member
Mike Angus	Member
Jera L. Bailey	Member
Stacey K. Bettridge	Member
Lisa Michele Church	Member
Wilford Clyde	Member
Candyce Damron	Student Representative
Sanchaita Datta	Member
Alan E. Hall	Member
Patricia Jones	Member
Crystal Maggelet	Member
Arthur E. Newell	Member
Shawn Newell	Member
Aaron V. Osmond	Member
Glen J. Rivera	Student Representative
Scott L. Theurer	Member

ABSENT:

ALSO PRESENT: Norm Tarbox, Ph.D. Vice President of Administrative
Services, Weber State University.

As required by Section 52-4-203, Utah Code Annotated 1953, as amended, written minutes and a recording of this meeting are being kept.

After the meeting had been duly convened and called to order by the Chair and the roll had been called with the above result, and after other business had been conducted, 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 Utah Board of Higher Education, Weber State University Student Facilities System Revenue Bonds.

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

YEA:

NAY:

ABSENT:

The resolution is as follows:

RESOLUTION

A RESOLUTION OF THE UTAH BOARD OF HIGHER EDUCATION AUTHORIZING THE ISSUANCE AND SALE OF ITS WEBER STATE UNIVERSITY STUDENT FACILITIES SYSTEM REVENUE BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$8,800,000; AUTHORIZING THE EXECUTION OF A SUPPLEMENTAL INDENTURE OF TRUST, AN OFFICIAL STATEMENT 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 Utah Board of Higher Education (the "*Board*") is established and exists under and pursuant to Section 53B-1-103, Utah Code Annotated 1953, as amended;

WHEREAS, pursuant to the provisions of Title 53B Chapter 1, Utah Code Annotated 1953, as amended, the Board is authorized to act as the governing authority of Weber State University (the "*University*") for the purpose of exercising the powers contained in Title 53B, Chapter 21, Utah Code Annotated 1953, as amended (the "*Act*");

WHEREAS, pursuant to the Act, the Board is, for and on behalf of the University, authorized to issue bonds payable from a special fund into which the revenues of the University may be deposited;

WHEREAS, pursuant to the provisions of Section 63B-31-201(5), Utah Code Annotated, as amended, the Board is authorized to issue revenue bonds on the credit and income of the University, other than appropriations by the Utah Legislature, to provide up to \$8,500,000 to finance the costs of constructing the Noorda Engineering and Applied Science building (the "*Project*"), together with other amounts necessary to pay capitalized interest, pay costs of issuance, and fund a debt service reserve;

WHEREAS, the Board considers it desirable and necessary for the benefit of the residents of the State of Utah to issue its Utah Board of Higher Education, Weber State University Student Facilities System Revenue Bonds," in one or more series (the "*Bonds*"), for the purpose of financing, together with any available funds of the University to be used for such purpose, the cost of the Project, satisfying a debt service reserve requirement, providing capitalized interest on the Bonds, and paying costs of issuance of the Bonds;

WHEREAS, the Bonds will be issued in an aggregate principle amount of not to exceed \$8,800,000 and will be issued pursuant to the General Indenture of Trust dated as of July 1, 1997, as heretofore amended and supplemented (the "*General Indenture*"), and as further supplemented by one or more Supplemental Indentures of Trust (collectively, the "*Supplemental Indenture*" and, together with the General Indenture, the "*Indenture*"), each by and between the Board, acting for and on behalf of the University, and Wells Fargo Bank, National Association, as trustee (the "*Trustee*");

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

WHEREAS, there have been presented to the Board at this meeting a form of a Preliminary Official Statement relating to the Bonds (the "*Preliminary Official Statement*") and a form of the Supplemental Indenture;

WHEREAS, expenditures relating to the Projects (the "*Expenditures*") have been paid from the University's general fund (the "*Fund*") within 60 days prior to the passage of this resolution (the "*Resolution*") or (ii) will be paid from the Fund on or after the passage of this Resolution and prior to the issuance of the Bonds;

WHEREAS, pursuant to Section 53B-21-102(3)(m) of the Act, 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 final principal amounts, terms, maturities, interest rates 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, and the authority to approve and execute all documents relating to the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE UTAH BOARD OF HIGHER EDUCATION, AS FOLLOWS:

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

Section 2. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Board 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 Statement in such form as shall be approved by the Chair or Vice Chair of the Board or the President or Vice President for Administrative Services of the University. The Chair or Vice Chair of the Board or the President or Vice President for Administrative Services of the University are authorized to execute such certificates as shall be necessary to "deem final" the Preliminary Official Statement for purposes of Rule 15c2-12 of the Securities and Exchange Commission. The Chair or Vice Chair of the Board and the President or Vice President for Administrative Services of the University are hereby authorized to execute and deliver on behalf of the Board and the University a final Official Statement in substantially the form and with substantially the same content as the Preliminary Official Statement, with such alterations, changes or additions as may be necessary to finalize the Official Statement. The use and distribution of the Official Statement are hereby authorized.

Section 4. The Supplemental Indenture, in substantially the form presented to the Board at this meeting, is in all respects authorized, approved and confirmed. The Chair or Vice Chair and Secretary of the Board and the President or the Vice President for Administrative Services of the University are hereby authorized to execute and deliver the Supplemental Indenture, in the form and with substantially the same content as presented to the Board at this meeting, for and on behalf of the Board and the University with such alterations, changes or additions as may be authorized pursuant to the terms of this Resolution.

Section 5. (a) For the purpose of providing funds to be used for the purpose of (i) financing all or a portion of the cost of the Project, (ii) providing capitalized interest on the Bonds, (iii) funding a deposit to a debt service reserve fund, and (iv) paying costs of issuance of the Bonds, the Board hereby authorizes the issuance of the Bonds, from time to time in one or more series, in the aggregate principal amount of not to exceed \$8,800,000. The Bonds shall bear interest at the rates, and shall mature in the principal amounts and on the dates, as shall be approved by the Chair or Vice Chair of the Board or the Chair of the Finance, Facilities and Accountability Committee as provided below, all within the parameters set forth in *Schedule A* attached hereto and incorporated herein by reference.

Section 6. The form, terms and provisions of the Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the Indenture. The Chair or Vice Chair and the Secretary of the Board and the President or Vice President for Administrative Services of the University are hereby authorized to execute and seal 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 initial purchaser (the “*Underwriter*”) pursuant to a public sale at a discount of not to exceed 2.0% of the face amount of the Bonds. Pursuant to Section 53B-21-102(3)(m) of the Act, the Chair or Vice-Chair of the Board or the Chair of the Finance, Facilities and Accountability Committee (with concurrence of the President or the Vice President for Administrative Services of the University) is hereby authorized to specify and agree as to the final principal amounts, interest rates, maturities and purchase price with respect to the Bonds for and on behalf of the Board and the University by the execution of the Indenture, such bond purchase contract or other instruments as may be necessary to confirm the award of the Bonds to the Underwriter, and any changes to the Supplemental Indenture 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.

Section 8. 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 and Vice President for Administrative Services of the University are hereby authorized to take all action necessary or reasonably required by the Indenture 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 9. 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 or the Vice President for Administrative Services of the University are authorized to make any alterations, changes or additions to the Supplemental Indenture, the Bonds, the Preliminary Official Statement, or any other document herein authorized and approved that may be necessary to correct errors or omissions therein, to remove ambiguities therefrom, or to conform the same to other provisions of such instruments, the provisions of this Resolution or any related resolution adopted by the Board, or the provisions of laws of the State of Utah or the United States.

Section 10. 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 and Vice president for Administrative Services of the University, are hereby authorized and directed to accept a commitment for, and agree to the terms of, a bond insurance policy or other credit enhancement that such officer or officers determine to be in the best interests of the Board and the University, 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, including (without limitation) such (i) continuing disclosure undertakings or agreements as shall be necessary under Rule 15c2-12 of the Securities and Exchange Commission and (ii) such certificates and agreements as shall be necessary to establish and maintain the tax-exempt status of interest on the Bonds under the provisions of the Internal Revenue Code of 1986, as amended.

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 Indenture or any other instrument, 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. Reimbursement Intent. In satisfaction of certain requirements under the Internal Revenue Code of 1986, the District reasonably expects to reimburse the Expenditures with proceeds of the Bonds to be issued in the maximum principal amount of not more than \$8,800,000.

Section 13. All proceedings, resolutions and actions of the Board and the University and their officers and employees taken in connection with the Bonds are hereby ratified, confirmed and approved.

Section 14. After any of the Bonds are delivered by the Trustee to the Underwriter 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 15. 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 16. 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 or resolution or part thereof.

Section 17. This Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED by the Utah Board of Higher Education this 21st day of May, 2021.

UTAH BOARD OF HIGHER EDUCATION

Chair

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

Chair

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

I do hereby certify that I am the duly qualified and acting Secretary of the Utah Board of Higher Education.

I further certify that the above and foregoing constitutes a true and correct copy of an excerpt of the minutes of a meeting of the Board held on May 21, 2021 and of a resolution adopted at such meeting, as such minutes and resolution are officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this 21st day of May, 2021.

Secretary

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

I, the undersigned duly qualified and acting Secretary of the Utah Board of Higher Education (the “Board”), do hereby certify, according to the records of the Board 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, I gave public notice of the agenda, date, time and place of the May 21, 2021 public meeting held by the members of the Board by causing a Notice of Public Meeting to be posted at the principal office of the Utah Board of Higher Education at 60 South 400 West in Salt Lake City, Utah, on _____, 2021, at least 24 hours prior to the convening of such meeting, in the form attached hereto as *Exhibit A*, such Notice of Public Meeting having continuously remained so posted and available for public inspection during the regular office hours of the Board until the convening of the meeting; causing a copy of such Notice of Public Meeting in the form attached hereto as *Exhibit A* to be provided on _____, 2021 at least 24 hours prior to the convening of such meeting, to *The Salt Lake Tribune*, a newspaper of general circulation within the geographic jurisdiction of the Board, and to each local media correspondent, newspaper, radio station or television station which has requested notification of meetings of the Board; and causing a Notice of Public Meeting to be posted on _____, 2021 at the Utah Public Notice Website at least 24 hours before the convening of the meeting;

(b) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, public notice of the 2021 Annual Meeting Schedule of the Board was given specifying the date, time and place of the regular meetings of the Board scheduled to be held during the year, by causing a Notice of Annual Meeting Schedule for the Board in the form attached as *Exhibit B* to be posted during or before January 2021 at the principal office of the Board in Salt Lake City, Utah; such Notice of Annual Meeting Schedule having continuously remained so posted and available for public inspection during the regular office hours of the undersigned until the date hereof; causing a copy of such Notice of Annual Meeting Schedule to be provided during or before January 2021 to a newspaper of general circulation within the geographic jurisdiction of Salt Lake City, Utah; and causing a Notice of Annual Meeting Schedule to be posted during or before January 2021 at the Utah Public Notice Website; and

(c) the Board 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 *Exhibit C*). In accordance with such provisions and the aforementioned procedures, notice was given to each member of the Board and to members of the public at least 24 hours before the meeting to allow members of the Board and the public to participate in the meeting, including a description of how they could be connected to the meeting.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this 21st day of
May, 2021.

Secretary

SCHEDULE A

PARAMETERS

PRINCIPAL AMOUNT:	Not to exceed \$8,800,000.
TERM:	Not to exceed 25 years from their date or dates.
INTEREST RATE:	Fixed rates such that no coupon rate exceeds 5.0% per annum.
SALE PRICE:	Not less than 98% of the principal amount of the Bonds.

EXHIBIT A

[ATTACH NOTICE OF PUBLIC MEETING]

EXHIBIT B

[ATTACH NOTICE OF ANNUAL MEETING SCHEDULE]

EXHIBIT C

[ATTACH ELECTRONIC MEETING POLICY]