

RESOLUTION 31-2012

WHEREAS, Montrose County, Colorado (the "County") is a duly and regularly created, organized and existing political subdivision and public body corporate and politic, existing as such under and by virtue of the Constitution and laws of the State of Colorado (the "State"); and

WHEREAS, the County has previously executed and delivered an annually terminable Amended and Restated Airport Facilities Lease Purchase Agreement dated as of July 1, 2006 (the "Lease") between Montrose County Building Authority, as lessor, and the County, as lessee; and

WHEREAS, there have previously been executed and delivered pursuant to an Amended and Restated Mortgage and Indenture of Trust dated as of July 1, 2006 (the "Indenture"), between , by and between the Montrose County Building Authority, a nonprofit corporation duly organized and existing under the laws of the State of Colorado, and American National Bank, as Trustee (the "Trustee"), certain Certificate of Participation, Series 2006A (the "2006A Certificates"), Taxable Refunding and Improvement Certificates of Participation, Series 2006B (the "2006B Certificates"), and Taxable Convertible to Tax-Exempt Certificates of Participation, Series 2006C (the "2006C Certificates" or, together with the 2006A Certificates and the 2006 B Certificates, the "2006 Certificates"), each evidencing assignments of rights to receive certain revenues under the Lease; and

WHEREAS, the 2006A Certificates are currently outstanding in the aggregate principal amount of \$535,000, the 2006B Certificates are currently outstanding in the aggregate principal amount of \$1,100,000, and the 2006C Certificates are currently outstanding in the aggregate principal amount of \$1,270,000; and

WHEREAS, the 2006A Certificates and 2006B Certificates are subject to redemption prior to maturity at the option of the County on December 1, 2015, and on any date thereafter, and the 2006C Certificates are not subject to redemption but mature on December 1, 2015; and

WHEREAS, pursuant to Article XII of the Lease, the County may at any time exercise its option to prepay the Lease by paying the then applicable Purchase Option Price; and

WHEREAS, "Purchase Option Price" is defined under the Lease and the Indenture as the amount payable, at the option of the County, for the purpose of terminating the Lease and purchasing the Leased Property, which amount shall be the amount required to discharge the Indenture as provided in Article VI thereof; and

WHEREAS, the County currently has amounts available in its Capital Expenditure Fund in an amount necessary to pay the Purchase Option Price and exercise its option to prepay the 2006 Certificates (the "Excess Monies"); and

WHEREAS, the Board of County Commissioners (the "Board") has determined, and hereby declares that it is advantageous and favorable to the County and its inhabitants that all or any portion of the Excess Monies be used to pay, defease and discharge a portion of the principal of and

interest on the 2006 Certificates as the same become due upon maturity or prior redemption (the "Bond Requirements") (as determined to be to the best advantage of the County) through the establishment of an escrow as authorized herein; and

WHEREAS, the County will establish an escrow account pursuant to an escrow agreement for purposes of defeasing all of the currently outstanding 2006 Certificates; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MONTROSE COUNTY, COLORADO:

Section 1. Authorization of Cash Defeasance of the Outstanding 2006 Certificates. The County hereby authorizes and directs that an escrow account (the "Escrow Account") be established to pay, defease and discharge all of the currently outstanding 2006 Certificates (the "Defeased Certificates") as the County Manager or his designee deems to be advantageous to the County, which Escrow Account is to be funded with all or a portion of the Excess Monies. The form of escrow agreement (the "Escrow Agreement") between the County and UMB Bank, n.a. (the "Escrow Bank") has been presented to the Board concurrently with the adoption of this Resolution; and the appropriate officials of the County are hereby authorized and directed to complete the form of and to execute and deliver the Escrow Agreement in substantially the form so presented, in the name of and on behalf of the County, and thereby to establish the Escrow Account to be accumulated and maintained with the Escrow Bank pursuant to the Escrow Agreement. The County shall purchase the federal securities necessary to establish the Escrow Account as provided in the Escrow Agreement.

Section 2. Maintenance of Escrow Account. The Escrow Account shall be maintained in an amount at the time of those initial deposits therein and at all times subsequently at least sufficient, together with the known minimum yield to be derived from the initial investment and any temporary reinvestment of the deposits therein or any part thereof in federal securities, to pay the Bond Requirements of the Defeased Certificates as the same become due.

Section 3. Use of Escrow Account. Moneys shall be withdrawn by the Escrow Bank from the Escrow Account in sufficient amounts and at such times to permit the payment without default of the Bond Requirements. Any moneys remaining in the Escrow Account after provision shall have been made for the payment in full of the Certificates shall be deposited with the County.

Section 4. Notice of Defeasance. After the Escrow Agreement has been executed and delivered and the Escrow Account has been funded, the Escrow Bank is hereby authorized and directed to give notice concerning the establishment of the Escrow Account and the defeasance of the Defeased Certificates to the registered owners of such Defeased Certificates by first-class, postage prepaid mail, to each registered owner of any Defeased Certificate, such notice to be in substantially the form as provided in the Escrow Agreement.

The County shall cause a material event notice to be provided pursuant to Rule 15c2-12, as amended, promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

Section 5. Ratification and Approval of Prior Action. All actions heretofore taken by the officers of the County and the members of the Board, consistent with the provisions of this Resolution, relating to the defeasance and discharge of the Certificates, the execution and delivery of the Escrow Agreement and the establishment of the Escrow Account, are hereby ratified, approved, and confirmed.

Section 6. Severability. If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution, the intent being that the same are severable.


Section 7. Repealer. All orders, resolutions, bylaws, or regulations of the County, or parts thereof, inconsistent with this Resolution are hereby repealed to the extent only of such inconsistency.

PASSED, ADOPTED, AND APPROVED this May 21, 2012.





Chairman, Board of County Commissioners



County Clerk

STATE OF COLORADO)
) SS.
COUNTY OF MONTROSE)

Marie Simons

I, ~~Norma Tabor~~, the Deputy County Clerk of the County of Montrose (the "County") in the State of Colorado, do hereby certify that:

1. The foregoing pages are a true and correct copy of a resolution (the "Resolution") passed and adopted by the Board of County Commissioners (the "Board") of the County at a regular meeting held on May 21, 2012.

2. The Resolution was duly moved and seconded, and the Resolution was adopted by an affirmative vote of a majority of the members of the Board as follows:

<u>Commissioner</u>	<u>Voting "Yes"</u>	<u>Voting "No"</u>	<u>Absent</u>	<u>Abstaining</u>
Gary Ellis	✓			
Ron Henderson	✓			
David White	✓			

3. The members of the Board were present at such meeting and voted on the passage of such Resolution as set forth above.

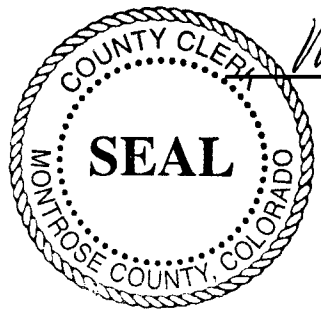
4. The Resolution was approved and authenticated by the signature of the Chairman of the Board, sealed with the County seal, attested by the County Clerk and recorded in the minutes of the Board.

5. There are no bylaws, rules or regulations of the Board which might prohibit the adoption of said Resolution.

6. Notice of the meeting of May 21, 2012, in the form attached hereto as Exhibit A was posted in the County Courthouse not less than twenty-four hours prior to the meeting in accordance with law.

WITNESS my hand and the seal of said County affixed this 21st day of May, 2012.

(SEAL)



Marie Simons

Deputy County Clerk

Exhibit A

(Form of Notice of Meeting)



MONTROSE COUNTY
COLORADO
AGENDA

BOARD OF COUNTY COMMISSIONERS

Commissioners Meeting Room, 161 South Townsend Avenue
Monday, May 21, 2012 at 9:00 a.m.

A. WELCOME

1. PLEDGE OF ALLEGIANCE

- 2. ROLL CALL:** **Ronald Henderson, District 1** _____
 Gary Ellis, District 2 _____

David White, District 3 _____

3. CALL TO THE PUBLIC:

The "Call to the Public" agenda item is a time when the citizenry may bring forth items of interest or concern. Please note that no formal action will be taken on these items during this time due to the open meeting law provision; however, they may be placed on future posted agenda if action is required.

NOTE: The remainder of the meeting will commence immediately following the "Call to the Public":

B. COUNTY MANAGER, Jesse Smith, consideration for removal or change in any items on this Agenda:

C. CONSENT AGENDA:

All matters under the consent agenda are considered to be routine by the Board of County Commissioners and will be enacted with a single vote. There will be no separate discussion of these items. If discussion is deemed necessary, that item should be removed from the Consent Agenda and considered separately:

1. Request for approval of General Fund and Special Fund Expenditures, 05/04/12 & 05/11/12:
2. Request for approval of Health & Human Services Warrant Registers and the GA Vouchers as reviewed by Commissioners: NONE
3. Approval of Minutes: NONE
4. **HEALTH & HUMAN SERVICES**, possible authorization for Chairman's signature on a Colorado Department of Labor & Employment Purchase of Services Agreement regarding Pathways to Fatherhood Workforce Center Services effective 05/01/2012 through 09/28/2012 as reviewed by Counsel; this represents a budgeted reimbursed expense not to exceed \$199,600 in support of Strategic Plan Priority #1 Encourage Diversified Economic Development:
5. **HEALTH & HUMAN SERVICES**, discussion and possible authorization for Chairman's signature on Purchase of Services Agreement with Adoption Options to provide (SAFE) Home Studies, effective 06/01/2012 through 05/31/2013; this represents a budgeted reimbursed expense in the amount of \$800 per study, \$400 per update, \$200 per addendum, plus mileage in support of Strategic Plan Priority #3 Provide for Public Safety:
6. **HEALTH & HUMAN SERVICES**, Peg Mewes, possible authorization for Chairman's signature on Purchase of Services Agreement with Steve Warner to provide Intensive Family Therapy Services, effective 06/01/2012 through 05/31/2013 as reviewed by Counsel; this represents a budgeted reimbursed expense in the amount of \$65 per hour not to exceed \$200,000 in support of Strategic Plan Priority #3 Provide for Public Safety:
7. **HEALTH & HUMAN SERVICES**, Peg Mewes, possible authorization for Chairman's signature on Purchase of Services Agreement with Anna Adams, M.A. to provide Intensive Family Therapy for Family Preservation/Core Services, effective 06/01/2012 through 05/31/2013 as reviewed by Counsel;

this represents a budgeted reimbursed expense in the amount of \$65 per hour not to exceed \$200,000 in support of Strategic Plan Priority #3 Provide for Public Safety:

8. **HEALTH & HUMAN SERVICES**, Peg Mewes, possible authorization for Chairman's signature on Purchase of Services Agreement with Gayle Frazzetta, M.D. to provide Medical Advisor services effective 07/01/2012 through 06/30/2013 as reviewed by Counsel; this represents a budgeted reimbursement expense in the amount of \$85 per hour in support of Strategic Plan Priority #3 Provide for Public Safety:
9. **HEALTH & HUMAN SERVICES**, Peg Mewes, possible authorization for Chairman's signature on Purchase of Services Agreement with Ariel Clinical Services to provide Structures Analysis Family Evaluation (SAFE) Home Studies, effective 06/01/2012 through 05/31/2013 as reviewed by Counsel; this represents a budgeted reimbursed expense in the amount of \$1,000 per study, \$400 per update and \$200 per addendum in support of Strategic Plan Priority #3 Provide for Public Safety:
10. **HEALTH & HUMAN SERVICES**, Peg Mewes, possible authorization for Chairman's signature on Purchase of Services Agreement with Whimspire to provide Structured Analysis Family Evaluation (SAFE) Home Studies, effective 06/01/2012 through 05/31/2013 as reviewed by Counsel; this represents a budgeted reimbursed expense in the amount of \$800 per study, \$400 per update and \$200 per addendum in support of Strategic Plan Priority #3 Provide for Public Safety:
11. **PUBLIC WORKS/PLANNING & DEVELOPMENT**, possible ratification of the Scoping Notice response letter to USDA Forest Service, Norwood Ranger District regarding concerns related to the Hotchkiss Reservoir Land Exchange proposal; this represents no budget impact:
12. **TOWN OF OLATHE**, Rob Smith, Mayor consideration and possible action concerning a request for funding for the 2012 Olathe Sweet Corn Festival in the amount of \$10,000 and waiving of the food inspection fees; this represents an expense from the Economic Development Budget:
13. **COUNTY MANAGER**, Jesse Smith, J. David Reed requests a Letter of Recommendation for his appointment to the CMU Board of Trustees:

D. GENERAL BUSINESS & ADMINISTRATIVE ITEMS:

1. **HEALTH & HUMAN SERVICES**, Peg Mewes, possible authorization for Chairman's signature on Task Order Contract with Colorado Department of Public Health & Environment for Family Planning Program, effective 05/21/2012 thru 06/30/2013 as reviewed by Counsel; this represents a budgeted reimbursed expense in the amount of \$58,206 in support of Strategic Plan Priority #4 Effective & Responsive Government:
2. **MONTROSE REGIONAL AIRPORT**, Lloyd Arnold, possible authorization for Chairman's signature to adopted the updated Disadvantaged Business Enterprise Program Objectives and Policy Statement as required by Federal Regulations, effective 05/21/2012; this represents no budgetary impact in support of Strategic Plan Priority #2 Improve and Maintain a Safe Transportation System:
3. **MONTROSE REGIONAL AIRPORT**, Lloyd Arnold, possible authorization for Chairman's signature on temporary Scheduled Airline Operating Agreement and Terminal Building lease with Great Lakes Aviation, Ltd. effective 05/30/2012 through 06/02/2012 as reviewed by Counsel; this represents revenue in the amount of \$635 in support of Strategic Plan Priority #1 Encourage Diversified Economic Development & Managed Growth:
4. **PUBLIC WORKS**, discussion and possible approval for Chairman's signature on **RESOLUTION** concerning Surplus Property Declaration and 2012 Asset Disposal List, effective 05/21/2012 as reviewed by Counsel; this represents no budget impact in support of Strategic Plan Priority to replace fleet vehicles and equipment that are targeted for replacement:
5. **PUBLIC WORKS**, Brian Wilson, possible authorization for Chairman's signature on the UMETCO Minerals Corporation Uravan Omnibus Agreement for property located in unincorporated Uravan effective 05/08/2012 as reviewed by Counsel; this represents no budgetary impact and supports Strategic Plan Priority #5 Develop and Support Environmentally Healthy Business Operations:
6. **PUBLIC WORKS**, discussion and possible approval for Chairman's signature on award of Construction Contract for 5500 Road Rehabilitation-Phase 2 with Ridgway Valley Enterprises,

effective 05/21/2012 as reviewed by Counsel; this represents a budgeted expense in the amount of \$492,631 in support of Strategic Plan Priority #2 Improve and Maintain a Safe Transportation System:

7. **COUNTY ATTORNEY**, Robert Hill, consideration and possible adoption of **RESOLUTION** authorizing issuance of Certificates of Participation for the Justice Center Building Annex Project effective 05/21/2012 as reviewed by Counsel; this represents a financing obligation of \$3,592,000 in support of Strategic Plan Priority #4 Effective and Responsive Government:
8. **COUNTY ATTORNEY**, Robert Hill, consideration and possible adoption of **RESOLUTION** for defeasance of Airport debt effective 05/21/2012 as reviewed by Counsel; this represents a budgeted expense of \$3,043,805 in support of Strategic Plan Priority #4 Effective and Responsive Government:
9. **TOWN OF NUCLA**, Trustee Christina Pierce, consideration and possible action to create a Federal Mineral Leasing District for the Towns of Nucla and Naturita relating to an offset of an increase in PILT and the decrease in Federal Mineral Lease revenue in support of Strategic Plan Priority #4 Effective and Responsive Government; this has no budget impact:

E. UNFINISHED BUSINESS: NONE

F. PLANNING & DEVELOPMENT:

1. **Cornerstone Subdivision-Government Springs Road Agreement (Resolution No. _____ 2012)**

Location:	Government Springs Road
Zoning:	Planned Development
Proposal:	To review a proposal by Cornerstone Montrose LLC for the Completion of improvements to Government Springs Road
Owner:	Cornerstone Montrose LLC
Applicant:	Thomas G. Kennedy, P.C.

(See enclosed staff report)

G. EXECUTIVE SESSION: NONE

This agenda is provided for informational purposes only. Action may be taken on any or all of the items. All times are approximate. If any given item is finished earlier than anticipated, the Commissioners may move on to the next item. The only exceptions are public hearings on items which have had published notices of a specific hearing time; those items will not begin until the specific time or after.