

**BY-LAWS OF
LOCAL BUILDING AUTHORITY OF BOULDER TOWN
[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 Boulder Town (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 Boulder, Utah, on the 5th day of August, 2010, 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 Boulder, Utah, (the "Town") 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 Town.

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 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 shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the Board of Trustees.

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 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 Town (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 Town (Mayor and

Town 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 Town 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 Town, 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 Town. 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 Town. Any trustee who ceases to be a member of the Governing Body of the Town 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 Town 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 Town 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 Town 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 Town as a result of such vacancy or as a result of the increase in the number of members of the Governing Body of the Town, such appointment as a trustee to be effective upon such successor taking office as a member of the Governing Body of the Town. 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 Town 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 Town 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 Town and has been organized solely for the purpose of accomplishing the public purposes for which the Town exists by acquiring, improving, or extending improvements, facilities, or properties and appurtenances to them which the Town 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 Town and financing the costs of such improvements, facilities, or properties and appurtenances on behalf of the Town. 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 Town 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 Town.

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 Town 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 Town, 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 Town.

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 Town 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 Town 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 Town 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 Town Hall, 351 North 100 East, Boulder, 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 Boulder Town, a Utah non-profit corporation, adopted by the Board of Trustees of the Corporation on August 5, 2010, and as in effect on this 5th day of August, 2010.

Judith Davis, Secretary
Local Building Authority
of Boulder Town