

## **RESOLUTION No 2020-14**

### **A RESOLUTION DECLARING AS SURPLUS 3 (THREE) SHARES OF THE DISTRICT'S LINCOLN CULINARY WATER COMPANY STOCK**

**WHEREAS**, the North Tooele Fire District (the "District"), currently owns a total of 5 (five) shares of the corporate stock ("Stock"), of Lincoln Culinary Water Company Stock (the "Company"); and

**WHEREAS**, the District's Board of Trustees (the "Board"), has found and determined that the District only needs 2 (two) shares of Stock for the purposes of its operations, and that the remaining 3 (three) shares of Stock are not now and will not be needed in the future, and as such are surplus to the needs of the District ("Surplus Stock"); and

**WHEREAS**, the Board has determined that in order to generate additional needed revenues and to reduce the expense to the District of making the assessment payments due annually on the Surplus Stock, that it is in the best interest of the District to sell the Surplus Stock;

**NOW, THEREFORE, BE IT HEREBY RESOLVED** as follows:

1. The Board hereby finds and declares that the Surplus Stock is surplus to the needs of the District and that it is in the best interest of the District that the Surplus Stock be sold to on a competitive basis to the highest responsive bidder.

2. District staff is hereby directed to advertise a Solicitation for Sealed Bids (the "Solicitation"), for the sale and purchase of the Surplus Stock. The Solicitation shall include the following terms of sale:

(a) The minimum bid price for the sale of the Surplus Stock shall be \$37,500.

(b) The Surplus Stock shall be sold without representations or warranties of any kind by the District pertaining to the Surplus Stock.

(c) By submitting a bid, each bidder shall be deemed to have acknowledged that the entitlement to and use of water under the Surplus Stock shall be subject in all respects to the Articles of Incorporation, Bylaws and Rules and Regulations of the Company, compliance with which shall be the sole and separate obligation of the bidder if selected as the purchaser of the Surplus Stock.

(d) For a bid to be deemed responsive, each bidder shall be solely responsible to obtain from the Company, in advance, its express written approval of the transfer of the Surplus Stock to the bidder as well as the Company's approval of the bidder's intended place of use of the water under the Surplus Stock, should such bidder be selected as the purchaser. The Company's written approval with respect to the foregoing shall be included with and as an essential part of the bid submitted to the District. The award shall be subject to the Company's written approval as provided herein, consistent with the requirements of the Company's bylaws and rules and regulations.

(e) The right to purchase the Surplus Stock shall be awarded to the highest bidder whose bid is responsive to the terms of the Solicitation.

(f) The sale of the Surplus Stock to the successful bidder shall be closed upon the District's execution of the Surplus Stock certificates and delivery of the certificates to the successful bidder in exchange for the selected bidder's payment in full of the accepted bid price. It shall be the sole responsibility of the successful bidder to obtain new certificates from the Company in its name.

(g) The bid price for the Surplus Stock at the closing of the sale shall be paid in the form of a certified or cashier's check made payable to the North Tooele Fire District.

(h) The sale of the Surplus Stock shall be final upon closing.

(i) It shall be the sole responsibility of the successful bidder to obtain new replacement certificates from the Company, issued in its own name, subsequent to closing.

3. This Resolution shall take effect immediately upon execution hereof.

**NORTH TOOEELE FIRE DISTRICT**

By:



District Chief