

RCEA RESOLUTION NO: 30

A RESOLUTION OF THE RIM COUNTRY EDUCATIONAL ALLIANCE (RCEA), A SEPARATE LEGAL ENTITY PURSUANT TO A.R.S. §11-952.02, APPROVING AND AUTHORIZING THE RCEA PRESIDENT/CHAIRMAN TO EXECUTE THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE RIM COUNTRY EDUCATIONAL ALLIANCE ("RCEA") AND THE RIM COUNTRY EDUCATIONAL FOUNDATION ("RCEF") FOR MULTIVERSITY SITE OWNERSHIP INTEREST.

WHEREAS, the RCEA may make and enter into Contracts, including contracts, leases or other transactions with third parties and or governmental entities and employ agents and employees pursuant to A.R.S. §§11-951 and 11-952 *et seq*; and

WHEREAS, a separate legal entity has the powers specified by statute and the Intergovernmental Agreement creating such separate legal entity; and

WHEREAS, a separate legal entity is a political subdivision of the State of Arizona and in its own name has powers, rights and immunities as set forth in A.R.S. §11-952.02; and

WHEREAS, the RCEA desires to enter into an MOU with RCEF as authorized by A.R.S. §11-952.02; and

WHEREAS, a separate legal entity is legally separate and distinct from its members, and its members are not liable for actions and/or debts of the separate legal entity except as set forth in the documents creating such separate legal entity; and

WHEREAS, the RCEA deems this measure one necessary for the preservation of the public peace, health or safety, in which the emergency requires immediate adoption of the MOU to provide immediate.

NOW, THEREFORE, THE RIM COUNTRY EDUCATIONAL ALLIANCE BOARD, DO HEREBY RESOLVE AS FOLLOWS:

Section 1: That the Memorandum of Understanding ("MOU") between the Rim Country Educational Alliance and the Rim Country Educational Foundation, attached hereto and marked Exhibit I is approved in substantially the form attached.

Section 2: That Jim Lyon, RCEA President/Chairman, is hereby authorized to execute said MOU in substantially the form attached.

Section 3: That the RCEA, acting by and through its President/Chairman and/or its other appropriate officers and officials, is hereby authorized to execute any and all other documents and instruments and to take all other actions necessary or appropriate to carrying out the terms of this Resolution and the MOU.

Section 4: That it is necessary for the preservation of the peace, health and safety of the RCEA, to facilitate the implementation of the MOU, that an emergency is declared to exist, and this Resolution shall become immediately operative and in full force from and after the date of its enactment.

1. On return from Executive Session motion was made by Su Connell and seconded by R McDaniel to approve the Memorandum of Understanding with Rim Country Educational Foundation to acquire their 50% interest in the 253 acres. To further authorize the Chaiman to sign Resolution 30 including Exhibit I, attached. Approved 5-0.

H. REQUEST FOR PLACEMENT OF ITEMS ON A FUTURE AGENDA

Next meeting scheduled for Thursday, March 19, 2016.

I. CLAIMS

(none)

J. CLOSING ANNOUNCEMENTS

(none)


ADJOURNMENT:

Motion to adjourn was made by Jon Cline and seconded Su Connell. Motion carried 5-0.
Meeting adjourned at 2:17 pm.

Respectfully submitted,
Su Connell, Secretary/Treasurer, Rim Country Educational Alliance

 4/14/16

Su Connell, Secretary/Treasurer

 4/14/16

Jim Lyon, Chairman

EXHIBIT "I"

RCEA AND RCEF

MEMORANDUM OF UNDERSTANDING

Memorandum of Understanding

Between

RIM COUNTRY EDUCATIONAL ALLIANCE

And

RIM COUNTRY EDUCATIONAL FOUNDATION, LLC

This Memorandum of Understanding (“**MOU**”) is entered into this 24th of February, 2016 by the Rim Country Educational Alliance (“**RCEA**”) a Separate Legal Entity Politic of the State of Arizona and the Rim Country Educational Foundation, LLC, an Arizona limited liability company (“**RCEF**”) and/or (“**Parties**”) that have approved and executed this Agreement as set forth below.

RECITALS

- Whereas: Pursuant to transactions executed in November 2015, RCEA received a 50% undivided interest in 253 acres acquired for the creation of a Multiversity Campus in Payson Arizona (the “**Campus Site**”), funded entirely by RCEF in exchange for RCEF accepting enterprise responsibility, control and authority for the development of the Campus Site; and,
- Whereas: Pursuant to that understanding, RCEF contracted with RSP Architects and RLB Program Managers for necessary and essential predevelopment work for and in behalf of the Multiversity Campus Project in Payson; and,
- Whereas: Pursuant to that understanding, RCEF has paid RSP Architects and RLB Program Managers and subcontractors for necessary and essential predevelopment work for and in behalf of the Multiversity Campus Project in Payson; and,
- Whereas: RCEF has paid approximately \$5.5 million to date for the mutual benefit of RCEA and RCEF furthering the Multiversity Campus Project in Payson; and now,

NOW THEREFORE, in consideration of the terms and conditions contained herein and valuable considerations rendered, extended and to be extended by RCEF to RCEA for or in behalf of said Multiversity Campus Project in Payson, the parties agree as follows:

Section 1: Purpose: The purpose is to approve the MOU providing for RCEA’s acquisition from RCEF of RCEF’s 50% interest in the Campus Site in exchange for, among other things, RCEA’s agreement to enter into a Master Lease with RCEF (or its successors and assigns) providing RCEF with the legal right to develop the Muliversity Campus Project in Payson (collectively, the “**Real Estate Transactions**”).

Section 2: Duration: This Agreement shall become effective on the date it is adopted, approved and fully executed by both Parties, and shall continue in effect until the earlier to occur of (A) the Parties’ execution and delivery of definitive documentation relating to the Real Estate Transactions (upon which, the terms of this MOU shall be superseded and replaced by the terms

of such definitive documentation) or (B) the Parties' mutual written agreement to terminate this MOU.

Section 3: Obligations of the Parties: The Parties hereby agree that, for and in consideration of valuable considerations rendered, extended and to be extended by RCEF to RCEA for or on behalf of said Multiversity Campus Project in Payson; it is hereby agreed as follows:

- A. RCEF agrees to transfer its 50% undivided interest in the Campus Site to RCEA and will promptly execute all necessary documents, including, but not limited to a fully executed and recorded Quit Claim Deed required to effect said transfer.
- B. RCEA authorizes and RCEF hereby accepts extension of the enterprise responsibility, control and authority for development of the Campus Site under the same terms of understanding operative since November 2015. In furtherance of the foregoing, the Parties agree to negotiate in good faith to enter into a Master Lease providing for, among other things, RCEF's legal right to develop the Campus Site (including, without limitation, by entering into one or more Subleases or other contractual arrangements with educational institutions, student housing developers, hotel/conference center developers, parking developers, retail developers and other commercial developers or partners that may be involved in the development of the Campus Site and the Multiversity Campus Project from time to time during the term of the Master Lease). The Parties currently anticipate that the Master Lease will provide for a 99-year term, with a 99-year renewal option exercisable by RCEF.
- C. Any acquisition and predevelopment expenditures which may be repaid in the pre-development phase shall accrue to the benefit of the Aspire Arizona Foundation for use to mitigate student costs to attend the Payson Campus directly or indirectly through subsidies to the educational partner.
- D. Future development costs, if any, advanced by RCEF will be/ may be repaid to RCEF at RCEF's sole discretion.
- E. In the unlikely event that RCEA, whether voluntarily or involuntarily, determines to cease operations per the terms of the IGA under which they were created, the monies expended by RCEF shall be reimbursed prior to any dissolution of remaining assets.

Section 4: Authorization: This MOU shall become effective upon execution by the appropriate officials of each Party hereto.

Section 5: Conflict of Interest: This MOU is subject to the conflict of interest provisions of A.R.S. 38-511, as amended, the provisions of which are incorporated herein.

Section 6: RCEA Legal Counsel: RCEA acknowledges and agrees that, notwithstanding Snell & Wilmer L.L.P.'s potential representation of RCEA in connection with other matters, Snell & Wilmer L.L.P. is serving as legal counsel to **RCEF** in connection with this MOU and the Real Estate Transactions. RCEA further acknowledges and agrees that it has been advised to

engage independent legal counsel to represent RCEA in connection with its negotiation, approval, execution and delivery of this MOU and also the Real Estate Transactions, and that Snell & Wilmer L.L.P. has **not** provided any advice to RCEA or its Board in connection with such matters.

Section 7: Severability: If any terms, party, or provisions of this MOU are for any reason determined to be invalid or unenforceable, the remaining terms, parts or provisions are nevertheless valid and enforceable.

Section 8: Integration: This MOU contains the entire agreement between the Parties and no oral or written statements; promises or inducements made by either Party or its agents not contained or specifically referred to in this MOU is valid or binding. All modifications to this MOU must be in writing, signed and endorsed by the Parties.

Section 9: Governing Law: This MOU shall be governed by and construed in accordance with the internal laws of the State of Arizona, without regard to conflict of laws principles.

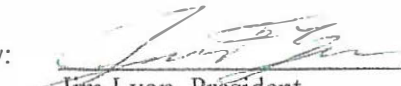
Section 10: Execution: This MOU may be executed in one or more counterparts, each of which will be deemed to be an original of this MOU and all of which, when taken together, will be deemed to constitute one and the same MOU. This MOU may be executed via the Parties' exchange of signature pages via facsimile, .pdf or similar electronic transmission.

Section 11: Authority: Each of RCEA and RCEF represents and warrants to the other Party that it has full power and authority to enter into this MOU, to carry out its obligations hereunder and to consummate the Real Estate Transactions on the terms and conditions specified herein. Each Party represents, respectively, that the execution and delivery by it of this MOU, the performance by it of its obligations hereunder and the consummation by it of the Real Estate Transactions on the terms and conditions specified herein have been duly authorized by all requisite action on the part of such Party (including approval by the Party's board of directors or other similar governing body, to the extent required).

IN WITNESS WHEREOF, this MOU has been executed on the dates and year as follows:

DATE: 24 Feb., 2016

RIM COUNTRY EDUCATIONAL
ALLIANCE

By: 
Jim Lyon, President

ATTEST:

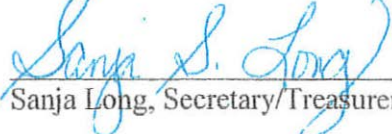
By: 
Susan Connell, Secretary/Treasurer

DATE: 24 February, 2016

RIM COUNTRY EDUCATIONAL
FOUNDATION, LLC

By: 
Gary Cordell, President

ATTEST:

By: 
Sanja Long, Secretary/Treasurer