

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (together, the “Act”), that on October 19, 2021, the City Council (the “Council”) of Santaquin City, Utah (the “Issuer”), adopted a resolution (the “Resolution”) in which it authorized the issuance of the Issuer’s Water Revenue and Refunding Bonds, Series 2021 (the “Series 2021 Bonds”) (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Issuer), and called a public hearing.

TIME, PLACE, LOCATION AND PURPOSE OF PUBLIC HEARING

The Issuer shall hold a public hearing on November 16, 2021, at the hour of 7:00 p.m. at 275 West Main, Santaquin City, Utah. The purpose of the hearing is to receive input from the public with respect to (a) the issuance of the Series 2021 Bonds and (b) any potential economic impact that the project to be financed with proceeds of the Series 2021 Bonds may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE SERIES 2021 BONDS

The Series 2021 Bonds will be issued for the purpose of: (a) financing all or a portion of the costs of improvements to the Issuer’s water system (the “System”), including but not limited to, the construction of a new irrigation tank and booster pump station and all related improvements, (b) refunding all or a portion of the Issuer’s outstanding Water Revenue Bonds, Series 2012, (c) funding any necessary debt service reserve funds and (d) paying costs of issuance with respect to the Series 2021 Bonds.

PARAMETERS OF THE SERIES 2021 BONDS

The Issuer intends to issue the Series 2021 Bonds in the aggregate principal amount of not more than Eleven Million Five Hundred Thousand Dollars (\$11,500,000), to mature in not more than twenty-one (21) years from their date or dates, to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof and bearing interest at a rate or rates not to exceed five percent (5.00%) per annum. The Series 2021 Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a General Indenture of Trust and Supplemental Indenture of Trust (together, the “Indenture”) which were before the Council in substantially final form at the time of the adoption of the Resolution and said Indenture is to be executed by the Issuer in such form and with such changes thereto as shall be approved by the Issuer; provided that the principal amount, interest rate or rates, maturity, and discount of the Series 2021 Bonds will not exceed the maximums set forth above. The Issuer reserves the right to not issue the Series 2021 Bonds for any reason and at any time up to the issuance of the Series 2021 Bonds.

REVENUES PROPOSED TO BE PLEDGED

The Bonds are special limited obligations of the Issuer payable from the net revenues of the System (the “Revenues”).

OUTSTANDING BONDS SECURED BY PLEDGED REVENUES

The Issuer currently has \$5,609,000 of bonds outstanding secured by the Revenues, which amount includes the Refunded Bonds.

OTHER OUTSTANDING BONDS OF THE ISSUER

Additional information regarding the Issuer’s outstanding bonds may be found in the Issuer’s financial report (the “Financial Report”) at: <https://reporting.auditor.utah.gov/searchreport>. For additional information, including any information more recent than as of the date of the Financial Report, please contact Ben Reeves, City Manager at (801) 754-3211, Ext. 205.

TOTAL ESTIMATED COST OF BONDS

Based on the Issuer’s current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Series 2021 Bonds, if held until maturity, is \$13,704,000.

A copy of the Resolution and form of the Indenture are on file in the office of the Santaquin City Recorder, 275 West Main, Santaquin, Utah, where they may be examined during regular business hours of the City Recorder from 9:00 a.m. to 5:00 p.m. Monday through Thursday and 9:00 a.m. to 1:00 p.m. on Fridays for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Indenture (as it pertains to the Series 2021 Bonds), or the Series 2021 Bonds, or any provision made for the security and payment of the Series 2021 Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

DATED this October 19, 2021.

/s/ Aaron Shirley
City Recorder