

RESOLUTION NO. 05-01-2020

A RESOLUTION OF THE CITY COUNCIL OF SANTAQUIN CITY, UTAH (THE "ISSUER"), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$7,100,000 AGGREGATE PRINCIPAL AMOUNT OF SALES TAX REVENUE BONDS, SERIES 2020 (THE "SERIES 2020 BONDS"); FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE SERIES 2020 BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE SERIES 2020 BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE SERIES 2020 BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE SERIES 2020 BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE ISSUER THE AUTHORITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE SERIES 2020 BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PROVIDING FOR THE PUBLICATION OF A NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD AND SETTING OF A PUBLIC HEARING DATE; AUTHORIZING AND APPROVING THE EXECUTION OF AN INDENTURE (OR A MASTER RESOLUTION IN SIMILAR FORM), A BOND PURCHASE AGREEMENT, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the City Council (the "Council") of the Issuer desires to (a) finance all or a portion of the cost of acquiring land and removing a building, and all related improvements (the "Series 2020 Project"), (b) fund any necessary debt service reserve funds, and (c) pay costs of issuance with respect to the Series 2020 Bonds herein described; and

WHEREAS, to accomplish the purposes set forth in the preceding recital, and subject to the limitations set forth herein, the Issuer desires to issue its Sales Tax Revenue Bonds, Series 2020 (the "Series 2020 Bonds") (to be issued from time to time as one or more series and with such other series or title designation(s) as may be determined by the Issuer), pursuant to (a) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act"), (b) this Resolution, and (c) a General Indenture of Trust and a Supplemental Indenture or by a master resolution without a trustee with substantially similar terms (collectively, the "Indenture"), with such Indenture in substantially the form presented to the meeting at which this Resolution was adopted and which is attached hereto as Exhibit B; and

WHEREAS, the Act provides that prior to issuing bonds, an issuing entity must (a) give notice of its intent to issue such bonds and (b) hold a public hearing to receive input from the public with respect to (i) the issuance of the bonds and (ii) the potential economic

impact that the improvement, facility or property for which the bonds pay all or part of the cost will have on the private sector; and

WHEREAS, the Issuer desires to call a public hearing for this purpose and to publish a notice of such hearing with respect to the Series 2020 Bonds, including a notice of bonds to be issued, in compliance with the Act; and

WHEREAS, there has been presented to the Council at this meeting a form of a bond purchase agreement (the "Bond Purchase Agreement"), in substantially the form attached hereto as Exhibit C to be entered into between the Issuer and the underwriter or the purchaser (the "Purchaser") selected by the Issuer for any portion of the Series 2020 Bonds; and

WHEREAS, in order to allow the Issuer flexibility in setting the pricing date of the Series 2020 Bonds to optimize debt service costs to the Issuer, the Council desires to grant to any one of the Mayor or Mayor pro tem (together, the "Mayor") or the City Manager (collectively, the "Designated Officers"), the authority to (a) approve the principal amounts, interest rates, terms, maturities, redemption features, and purchase price at which the Series 2020 Bonds shall be sold and (b) make any changes with respect thereto from those terms which were before the Council at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the "Parameters");

NOW, THEREFORE BE IT RESOLVED by the City Council of Santaquin, Utah, as follows:

Section 1. For the purpose of (a) financing the Series 2020 Project, (b) funding a deposit to a debt service reserve fund, if necessary, and (c) paying costs of issuance of the Series 2020 Bonds, the Issuer hereby authorizes the issuance of the Series 2020 Bonds which shall be designated "Santaquin City, Utah Sales Tax Revenue Bonds, Series 2020" (to be issued from time to time as one or more series and with such other series or title designation(s) as may be determined by the Issuer) in the aggregate principal amount of not to exceed \$7,100,000. The Series 2020 Bonds shall mature in not more than twenty-one (21) years from their date or dates, shall be sold at a price not less than ninety-seven percent (97%) of the total principal amount thereof, shall bear interest at a rate or rates of not to exceed five percent (5.0%) per annum, as shall be approved by the Designated Officers, all within the Parameters set forth herein.

Section 2. The Designated Officers are hereby authorized to select the Purchaser and specify and agree as to the method of sale, the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Series 2020 Bonds for and on behalf of the Issuer, provided that such terms are within the Parameters set by this Resolution. The selection of the method of sale, the selection of the Purchaser, appointment of a Trustee, and the determination of the final terms and redemption provisions for the Series 2020 Bonds by the Designated Officers shall be evidenced by the execution of the Bond Purchase Agreement in substantially the form attached hereto as Exhibit C or a term sheet if the selected Purchaser prefers.

Section 3. The Indenture and the Bond Purchase Agreement in substantially the forms presented to this meeting and attached hereto as Exhibits B and C, respectively, are hereby authorized, approved, and confirmed. The Mayor and City Recorder are hereby authorized to execute and deliver the Indenture and the Designated Officers are hereby authorized to execute and deliver the Bond Purchase Agreement in substantially the forms and with substantially the content as the forms presented at this meeting for and on behalf of the Issuer, with final terms as may be established by the Designated Officers within the Parameters set forth herein, and with such alterations, changes or additions as may be necessary or as may be authorized by Section 4 hereof.

Section 4. The Designated Officers or other appropriate officials of the Issuer are authorized to make any alterations, changes or additions to the Indenture, the Series 2020 Bonds, the Bond Purchase Agreement, or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2020 Bonds (within the Parameters set by this Resolution), to conform to any applicable bond insurance or reserve instrument or to remove the same, to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Council or the provisions of the laws of the State of Utah or the United States.

Section 5. The form, terms, and provisions of the Series 2020 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Mayor and the City Recorder are hereby authorized and directed to execute and seal the Series 2020 Bonds and to deliver said Series 2020 Bonds to the Trustee for authentication. The signatures of the Mayor and the City Recorder may be by facsimile or manual execution.

Section 6. The Designated Officers or other appropriate officials of the Issuer are hereby authorized and directed to execute and deliver to the Trustee the written order of the Issuer for authentication and delivery of the Series 2020 Bonds in accordance with the provisions of the Indenture.

Section 7. Upon their issuance, the Series 2020 Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2020 Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2020 Bonds, or any other instrument, shall be construed as creating a general obligation of the Issuer, or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Issuer or its taxing powers.

Section 8. The Designated Officers and other appropriate officials of the Issuer, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the Issuer any or all additional certificates, documents and other papers (including, without limitation, any escrow agreement permitted under the Indenture and tax compliance procedures) and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 9. After the Series 2020 Bonds are delivered by the Trustee to the Purchaser and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the Series 2020 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 10. The Issuer shall hold a public hearing on _____, 2020 to receive input from the public with respect to (a) the issuance of the Series 2020 Bonds issued under the Act, and (b) the potential economic impact that the improvements to be financed with the proceeds of the Series 2020 Bonds issued under the Act will have on the private sector, which hearing date shall not be less than fourteen (14) days after notice of the public hearing is first published and such publication shall be made (i) once a week for two consecutive weeks in the Payson Chronicle, a newspaper of general circulation in the Issuer, (ii) on the Utah Public Notice Website created under Section 63F-1-701, Utah Code Annotated 1953, as amended, and (iii) on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended. The City Recorder shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the Santaquin City offices, for public examination during the regular business hours of the Issuer until at least thirty (30) days from and after the last date of the newspaper publication thereof. The Issuer directs its officers and staff to publish a "Notice of Public Hearing and Bonds to be Issued" in substantially the following form:

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 (the "Act"), that on May 19, 2020, 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 Sales Tax Revenue Bonds, Series 2020 (the "Series 2020 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 _____, 2020, at the hour of 7:00 p.m. at 275 West Main Street, Santaquin City, Utah. The purpose of the hearing is to receive input from the public with respect to (a) the issuance of the Series 2020 Bonds and (b) any potential economic impact that the Series 2020 Project to be financed with proceeds of the Series 2020 Bonds may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE SERIES 2020 BONDS

The Series 2020 Bonds will be issued for the purpose of (a) finance all or a portion of the cost of acquiring land and removing a building, and all related improvements (the "Series 2020 Project"), (b) funding any debt service reserve funds, as necessary, and (c) paying costs of issuance of the Series 2020 Bonds.

PARAMETERS OF THE SERIES 2020 BONDS

The Issuer intends to issue the Series 2020 Bonds in the aggregate principal amount of not more than Seven Million One Hundred Thousand Dollars (\$7,100,000), 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-seven percent (97%) 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 2020 Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a General and a Supplemental Indenture or a master resolution without a trustee with substantially similar terms (collectively, 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 2020 Bonds will not exceed the maximums set forth above. The Issuer reserves the right to not issue the Series 2020 Bonds for any reason and at any time up to the issuance of the Series 2020 Bonds.

REVENUES PROPOSED TO BE PLEDGED

The Issuer proposes to pledge up to 100% of the local sales and use tax revenues, received by the Issuer for the payment of the Bonds (the "Revenues").

OUTSTANDING BONDS SECURED BY PLEDGED TAXES

The Issuer currently has no bonds outstanding secured by the Revenues.

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: <http://secure.utah.gov/auditor-search/>. 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 2020 Bonds to be issued under the Act to finance the 2020 Project, if held until maturity, is \$_____.

A copy of the Resolution and the Indenture are on file in the office of the Santaquin, City Recorder, 275 West Main Street, Santaquin City, 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 (i) any person in interest shall have the right to contest the legality of the Resolution, the Indenture (as it pertains to the Series 2020 Bonds), or the Series 2020 Bonds, or any provision made for the security and payment of the Series 2020 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 and (ii) registered voters within the Santaquin City, Utah may sign a written petition requesting an election to authorize the issuance of the Series 2020 Bonds. If written petitions which have been signed by at least 20% of the registered voters of the Santaquin City, Utah are filed with the Issuer during said 30-day period, the Issuer shall be required to hold an election to obtain voter authorization prior to the issuance of the Series 2020 Bonds. If fewer than 20% of the registered voters of the Santaquin, City, Utah file a written petition during said 30-day period, the Issuer may proceed to issue the Series 2020 Bonds without an election.

DATED this May 19, 2020.

/s/Aaron Shirley
City Recorder

Section 11. The Issuer hereby reserves the right to opt not to issue the Series 2020 Bonds for any reason, including without limitation, consideration of the opinions expressed at the public hearing.

Section 12. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

Section 13. The Issuer hereby declares its intention and reasonable expectation to use proceeds of tax-exempt bonds to reimburse itself for initial expenditures for costs of the Series 2020 Project. The Series 2020 Bonds are to be issued, and the reimbursements made, by the later of 18-months after the payment of the costs or after the Series 2020 Project is placed in service, but in any event, no later than three years after the date the original expenditure was paid. The maximum principal amount of the Series 2020 Bonds which will be issued to finance the reimbursed costs of the Series 2020 Project is not expected to exceed \$7,100,000.

(Other business not pertinent to the foregoing appears in the minutes of the meeting.)

Upon the conclusion of all business on the Agenda, the meeting was adjourned.

(SEAL)



By: [Signature]
Mayor

ATTEST:

By: [Signature]
City Recorder

APPROVED AND ADOPTED this May 19, 2020.

(SEAL)



By: [Signature]
Mayor

ATTEST:

By: [Signature]
City Recorder

STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

I, Aaron Shirley, the duly appointed and qualified City Recorder of Santaquin City, Utah (the "City"), do hereby certify according to the records of the City Council of the City (the "City Council") in my official possession that the foregoing constitutes a true and correct excerpt of the minutes of the meeting of the City Council held on May 19, 2020, including a resolution (the "Resolution") adopted at said meeting as said minutes and Resolution are officially of record in my possession.

I further certify that the Resolution, with all exhibits attached, was deposited in my office on May 19, 2020, and pursuant to the Resolution, there was published a Notice of Public Hearing and Bonds to be Issued no less than fourteen (14) days before the public hearing date: (a) once a week for two consecutive weeks in the Payson Chronicle, a newspaper having general circulation within the City, the affidavit of which publication will be attached upon availability, (b) on the Utah Public Notice Website created under Section 63F-1-701, Utah Code Annotated 1953, as amended and (c) on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said City, this May 19, 2020.

(SEAL)



By: K. Aaron Shirley
City Recorder