

Santaquin, Utah

October 19, 2021

The City Council (the “Council”) of Santaquin City, Utah (the “Issuer”) met in regular session on Tuesday, October 19, 2021, at its regular meeting place in Santaquin City, Utah, at 7:00 p.m. with the following members of the Council present:

Kirk Hunsaker	Mayor
Jennifer Bowman	Councilmember
Dave Hathaway	Councilmember
Lynn Mecham	Councilmember
Nicholas Miller	Councilmember
Betsy Montoya	Councilmember

Also present:

Aaron Shirley	City Recorder
Ben Reeves	City Manager

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, there was presented to the Council a Certificate of Compliance with Open Meeting Law with respect to this October 19, 2021 meeting, a copy of which is attached hereto as Exhibit A.

The following resolution was then introduced in written form, was fully discussed, and pursuant to motion duly made by Councilmember _____ and seconded by Councilmember _____, was adopted by the following vote:

AYE:

NAY:

The resolution is as follows:

RESOLUTION NO. 10-01-2021

A RESOLUTION OF THE CITY COUNCIL OF SANTAQUIN CITY, UTAH (THE “ISSUER”), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$11,500,000 AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE AND REFUNDING BONDS, SERIES 2021 (THE “BONDS”); FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE ISSUER THE AUTHORITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE 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 A SUPPLEMENTAL INDENTURE OF TRUST, 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 Santaquin City, Utah (the “Issuer”) desires to (a) finance all or a portion of the costs of improvements to its water system (the “System”), including but not limited to, the construction of a new irrigation tank and booster pump station and all related improvements (the “Series 2021 Project”), (b) refund all or a portion of the Issuer’s outstanding Water Revenue Bonds, Series 2012 (the “Refunded Bonds”), (c) fund any necessary debt service reserve funds, and (d) pay costs of issuance with respect to the Series 2021 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 Water Revenue and Refunding Bonds, Series 2021 (the “Series 2021 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, and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (together, the “Act”), (b) this Resolution, and (c) a General Indenture of Trust (the “General Indenture”) and a Supplemental Indenture of Trust (the “Supplemental Indenture” and together with the General Indenture, the “Indenture”) both by and between the Issuer and Zions Bancorporation, National Association in substantially the forms presented to the meeting at which this Resolution was adopted and which are 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 2021 Bonds, including a notice of bonds to be issued, in compliance with the Act; and

WHEREAS, the Issuer desires to approve and authorize 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 a purchaser (the "Purchaser") selected by the Issuer for the Series 2021 Bonds; and

WHEREAS, in order to allow the Issuer flexibility in setting the pricing date of the Series 2021 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 2021 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, it is hereby resolved by the City Council of Santaquin City, Utah, as follows:

Section 1. For the purpose of (a) financing the Series 2021 Project, (b) refunding the Refunded Bonds, (c) funding a deposit to a debt service reserve fund, if necessary, and (d) paying costs of issuance of the Series 2021 Bonds, the Issuer hereby authorizes the issuance of the Series 2021 Bonds which shall be designated "Santaquin City, Utah Water Revenue and Refunding Bonds, Series 2021" (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 \$11,500,000. The Series 2021 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-eight percent (98%) of the total principal amount thereof, shall bear interest at a rate or rates of not to exceed five percent (5.00%) 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 2021 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, and the determination of the final terms and redemption provisions for the Series 2021 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 Exhibit B and Exhibit C, respectively, are hereby authorized, approved, and confirmed. The Mayor and City Recorder are hereby authorized to execute and deliver the Indenture and 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 Bond Purchase Agreement, the Series 2021 Bonds, or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2021 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. The execution thereof by the Mayor on behalf of the Issuer of the documents approved hereby shall conclusively establish such necessity, appropriateness, and approval with respect to all such additions, modifications, deletions, and changes incorporated therein.

Section 5. The form, terms, and provisions of the Series 2021 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 2021 Bonds and to deliver or provide for the delivery of said Series 2021 Bonds to the Purchaser. The signatures of the Mayor and the City Recorder may be by facsimile or manual execution.

Section 6. Upon their issuance, the Series 2021 Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2021 Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2021 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 ad valorem taxing powers.

Section 7. 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 8. After the Series 2021 Bonds are delivered 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 2021 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 9. The Issuer shall hold a public hearing on November 16, 2021, to receive input from the public with respect to (a) the issuance of the Series 2021 Bonds issued under the Act and (b) the potential economic impact that the improvements to be financed with the proceeds of the Series 2021 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 published and such publication shall be made (i) once in the Payson Chronicle, a newspaper of general circulation in the Issuer, (ii) on the Utah Public Notice Website created under Section 63A-16-601, 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 Issuer's offices, for public examination during the regular business hours of the Issuer until at least thirty (30) days from and after the date of the newspaper publication. The Issuer directs its officers and staff to publish a "Notice of Public Hearing and Bonds to be Issued" in substantially the following form: