

Sandy, Utah

May ____, 2017

The City Council (“City Council”) of Sandy City, Utah (the “City”), met in regular public session on May ____, 2017, at the City’s regular meeting place at 7:00 p.m. with the following members of the Council present:

| | |
|-------------------------|-------------------------|
| Stephen P. Smith | Chair and Councilmember |
| Maren Barker | Councilmember |
| Kristin Coleman-Nicholl | Councilmember |
| Scott Cowdell | Councilmember |
| Steve Fairbanks | Councilmember |
| Linda Martinez Saville | Councilmember |
| Chris McCandless | Councilmember |

Also present:

| | |
|-------------|---------------|
| Tom Dolan | Mayor |
| Molly Spira | City Recorder |

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the City Recorder presented to the Council a Certificate of Compliance with Open Meeting Law with respect to this March 28, 2017, 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. ____

A RESOLUTION OF THE CITY COUNCIL OF SANDY CITY, UTAH (THE "ISSUER"), RESCINDING THE AUTHORIZATION GRANTED IN RESOLUTION 17-15C AND AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$10,000,000 AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2017; 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; PROVIDING FOR THE PUBLICATION OF A NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AUTHORIZING THE EXECUTION BY THE ISSUER OF A SUPPLEMENTAL INDENTURE, A BOND PURCHASE AGREEMENT, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; APPROVING AN OFFICIAL STATEMENT; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act"), the City Council (the "Council") of Sandy City, Utah (the "Issuer"), is authorized to issue water revenue 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) payable from the net revenues of its existing water system (the "System") for the municipal purposes set forth therein; and

WHEREAS, subject to the limitations set forth herein, the Issuer desires to issue its Water Revenue Bonds, Series 2017 (the "Series 2017 Bonds") to (a) finance improvements to the System, including but not limited to Flat Iron Tank and well replacement and other related projects (collectively, the "Project"), (b) fund any required debt service reserve fund and (c) pay costs of issuance of the Series 2017 Bonds, pursuant to this Resolution, a General Indenture of Trust dated as of April 1, 2004, as heretofore amended and supplemented (the "General Indenture") between the Issuer and ZB, National Association, as trustee (the "Trustee"), and a Third Supplemental Indenture of Trust (the "Supplemental Indenture," and together with the General Indenture, the "Indenture"), between the Issuer and the Trustee, 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 2017 Bonds, including a notice of bonds to be issued, in compliance with the Act; and

WHEREAS, the Council desires to approve and authorize the preparation and use of a Bond Purchase Agreement (the “Bond Purchase Agreement”), to be entered into between the Issuer and the underwriter or the purchaser selected by the Issuer for the Series 2017 Bonds (the “Underwriter/Purchaser”), in substantially the form attached hereto as Exhibit C; and

WHEREAS, in the event that the Designated Officers (defined below) determine that it is in the best interests of the Issuer to publicly offer the Series 2017 Bonds, the Issuer desires to authorize the use and distribution of a Preliminary Official Statement (the “Preliminary Official Statement”), and to approve a final Official Statement (the “Official Statement”) in substantially the form attached hereto as Exhibit D, and other documents relating thereto; and

WHEREAS, in order to allow the Issuer, in the consultation with the Issuer’s Municipal Advisor, Lewis Young Robertson & Burningham, Inc. (the “Financial Advisor”) flexibility in setting the pricing date of the Series 2017 Bonds, the Council desires to grant to a committee of the Mayor and the Council Chair and, to the extent then available, the Chief Administrative Officer and Finance Director of the Issuer and, in the absence of either the Mayor or Council Chair, any one of the following acting with the Mayor or the Council Chair and the other available members of said committee: the Vice Chair of the Council, the Deputy Finance Director or the Treasurer of the Issuer (collectively, the “Designated Officers”) the authority to select the Underwriter/Purchaser, to approve the final interest rates, principal amounts, terms, maturities, redemption features, and purchase price at which the Series 2017 Bonds shall be sold, to determine whether the Series 2017 Bonds should be sold and method of sale, and to 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 Sandy City, Utah, as follows:

Section 1. For the purpose of financing the Project, funding any required debt service reserve fund and paying costs of issuance of the Series 2017 Bonds, the Issuer hereby authorizes the issuance of the Series 2017 Bonds which shall be designated “Sandy City, Utah Water Revenue Bonds, Series 2017” (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 initial aggregate principal amount of not to exceed \$10,000,000. The Series 2017 Bonds shall mature in not more than seventeen (17) 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 not to exceed five percent (5.0%) per annum, and shall be non-callable or subject to redemption, all as shall be approved by the Designated Officers in consultation with the Issuer's Financial Advisor, all within the Parameters set forth herein.

Section 2. The Supplemental Indenture and the Bond Purchase Agreement, in substantially the forms presented at this meeting and attached hereto as Exhibits B and C respectively, are hereby authorized, approved, and confirmed. The Mayor and the City Recorder (or designee, collectively, the "City Recorder") are hereby authorized to execute and deliver the Supplemental 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, in consultation with the Financial Advisor, 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. The Designated Officers are each hereby authorized to select the Underwriter/Purchaser, to specify and agree as to the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Series 2017 Bonds for and on behalf of the Issuer, provided that such terms are within the Parameters set by this Resolution. The execution of the Bond Purchase Agreement shall demonstrate the approval of the Designated Officers.

Section 3. The Issuer hereby approves and authorizes the utilization of the Preliminary Official Statement in substantially the form attached hereto as Exhibit D in the marketing of the Series 2017 Bonds (as appropriate) and hereby approves the Official Statement in substantially the same form as the Preliminary Official Statement, with any necessary revisions and insertions to complete the same with the terms established for the Series 2017 Bonds. The Mayor is hereby authorized to execute the Official Statement evidencing its approval by the Issuer.

Section 4. The appropriate officials of the Issuer are authorized to make any alterations, changes, deletions, or additions to the Supplemental Indenture, the Series 2017 Bonds, the Bond Purchase Agreement, the Preliminary Official Statement, the Official Statement, or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2017 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 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 2017 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 City

Recorder are hereby authorized and directed to execute and seal the Series 2017 Bonds and to deliver said Series 2017 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 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 2017 Bonds in accordance with the provisions of the Indenture.

Section 7. Upon their issuance, the Series 2017 Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2017 Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2017 Bonds, the Preliminary Official Statement, 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 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 reserve instrument guaranty agreements permitted by the Indenture) 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. The Issuer shall hold a public hearing on June ____, 2017 to receive input from the public with respect to (a) the issuance of the Series 2017 Bonds, and (b) the potential economic impact that the improvements to be financed with the proceeds of the Series 2017 Bonds 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 (i) once a week for two consecutive weeks in The Salt Lake Tribune, 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 Sandy City offices, for public examination during the regular business hours of the Issuer until at least thirty (30) days from and after the date of 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, that on May ___, 2017, the City Council (the "Council") of Sandy City, Utah (the "Issuer"), adopted a resolution (the "Resolution") in which it authorized the issuance of the Issuer's Water Revenue Bonds, Series 2017 (the "Series 2017 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 to receive input from the public with respect to the issuance of the Series 2017 Bonds.

PURPOSE, TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on June ___, 2017, at the hour of 7:00 p.m. at 10000 Centennial Parkway, Sandy, Utah. The purpose of the hearing is to receive input from the public with respect to (a) the issuance of the Series 2017 Bonds and (b) any potential economic impact that the project to be financed with the proceeds of the Series 2017 Bonds may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE SERIES 2017 BONDS

The Series 2017 Bonds will be issued for the purpose of (a) financing improvements to the Issuer's water system (the "System"), including but not limited to Flat Iron Tank and well replacement and other related projects (collectively, the "Project"), (b) funding any required debt service reserve fund, and (c) paying costs of issuance of the Series 2017 Bonds.

REVENUES TO BE PLEDGED

The Series 2017 Bonds are special limited obligations of the Issuer payable from the net revenues of the System.

PARAMETERS OF THE SERIES 2017 BONDS

The Issuer intends to issue the Series 2017 Bonds in the aggregate principal amount of not more than Ten Million Dollars (\$10,000,000), to mature in not more than seventeen (17) 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 (5.0%) per annum. The Series 2017 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 dated as of April 1, 2004, as heretofore amended and supplemented (the "General Indenture") and a Supplemental Indenture of Trust (the "Supplemental Indenture" and collectively with the General Indenture, the "Indenture") which Supplemental Indenture was before the Council and in substantially final form at the time of the adoption of the Resolution and said Supplemental Indenture is to be executed by the Council in such form and with such changes thereto as shall be approved

by the Mayor or Mayor pro tem; provided that the principal amount, interest rate or rates, maturity, and discount of the Series 2017 Bonds will not exceed the maximums set forth above.

OUTSTANDING BONDS SECURED BY REVENUES

Other than the proposed Series 2017 Bonds, the Issuer currently has \$3,780,000 principal amount of bonds outstanding secured by the net revenues of the System.

OTHER OUTSTANDING BONDS OF THE ISSUER

Information regarding all of the Issuer's outstanding bonds may be found in the Issuer's audited financial report (the "Financial Report") at: <https://secure.utah.gov/auditor-search/?p=localgov>. For additional information more recent than as of the date of the Financial Report please contact Brian Kelley, Finance & Information Technology Director (phone: 801-568-7117).

TOTAL ESTIMATED COST

Based on an estimate of the current interest rate and financing plan, the estimated total debt service cost of the Series 2017 Bonds, if held until maturity is \$12,200,000.

A copy of the Resolution and the Indenture are on file in the office of the Sandy City Recorder, 10000 Centennial Parkway, Sandy, Utah, where they may be examined during regular business hours of the City Recorder from 8:00 a.m. to 5:00 p.m. 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 (only as it relates to the Series 2017 Bonds), or the Series 2017 Bonds, or any provision made for the security and payment of the Series 2017 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 May ____, 2017.

/s/ Molly Spira
City Recorder

Section 10. 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 Project. The Series 2017 Bonds are to be issued, and the reimbursements made, by the later of 18 months after the payment of the costs or after the 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 2017 Bonds which will be issued to finance the reimbursed costs of the Project is not expected to exceed \$10,000,000.

Section 11. The Issuer hereby reserves the right to opt not to issue the Series 2017 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. Upon the issuance of the Series 2017 Bonds, this Resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the Series 2017 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

APPROVED AND ADOPTED this May ____, 2017.

SANDY CITY, UTAH

(SEAL)

Chair

ATTEST:

City Recorder

PRESENTATION TO MAYOR

The foregoing resolution was presented by the City Council to the Mayor for his approval or disapproval this May ____, 2017.

Chair

MAYOR'S APPROVAL OR DISAPPROVAL

The foregoing resolution is hereby approved this May ____, 2017.

Mayor

(Here follows business not pertinent to the above.)

Pursuant to motion duly made and seconded, the City Council adjourned.

(SEAL)

Chair

ATTEST:

City Recorder

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

I, Molly Spira, the duly appointed and qualified City Recorder of Sandy City, Utah (the “City”), does 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 ___, 2017, 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 ___, 2017, and pursuant to the Resolution, there will be published a Notice of Public Hearing and Bonds to be Issued no less than fourteen (14) days before the public hearing date: (a) one time each week for two consecutive weeks in The Salt Lake Tribune, a newspaper having general circulation within the City, (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 ___, 2017.

(SEAL)

By: _____
City Recorder

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

I, Molly Spira, the undersigned City Recorder of Sandy City, Utah (the "City"), do hereby certify, according to the records of the City in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the May ____, 2017, public meeting held by the City Council of the City (the "City Council") as follows:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the principal offices of the City on May ____, 2017, at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting;

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be posted on the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting; and

(c) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to The Salt Lake Tribune pursuant to its subscription to the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting; and

In addition, the Notice of 2017 Annual Meeting Schedule for the City Council (attached hereto as Schedule 2) was given specifying the date, time, and place of the regular meetings of the City Council to be held during the year, by causing said Notice to be (a) posted on _____, at the principal office of the City, (b) published on the Utah Public Notice Website (<http://pmn.utah.gov>) during the current calendar year and (c) provided to at least one newspaper of general circulation within the geographic jurisdiction of the City pursuant to its subscription to the Utah Public Notice Website (<http://pmn.utah.gov>).

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this May ____, 2017.

(SEAL)

By: _____
City Recorder

SCHEDULE 1

NOTICE OF MEETING

SCHEDULE 2

ANNUAL MEETING SCHEDULE

(attach Proof of Publication of
Notice of Public Hearing and Bonds to be Issued)

EXHIBIT B

SUPPLEMENTAL INDENTURE

(See Transcript Document No. ____)

EXHIBIT C

FORM OF BOND PURCHASE AGREEMENT

(See Transcript Document No. ____)

EXHIBIT D

FORM OF PRELIMINARY OFFICIAL STATEMENT

(See Transcript Document No. ____)