

Sandy, Utah

April 5, 2022

The City Council (the “Council”) of Sandy, Utah (the “City”), met in regular public session at the regular meeting place of the Council at 5:15 p.m. on April 5, 2022, with the following members present:

Marci Houseman	Chair
Brooke D’Sousa	Councilmember
Scott Earl	Councilmember
Ryan Mecham	Councilmember
Zach Robinson	Councilmember
Cyndi Sharkey	Councilmember
Alison Stroud	Councilmember

Also present:

Monica Zoltanski	Mayor
Wendy Downs	City Recorder

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this Resolution had been discussed, a Certificate of Compliance with Open Meeting Law with respect to this April 5, 2022 meeting was presented to the Council, a copy of which is attached hereto.

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

Aye:

Nay:

The Resolution is as follows:

RESOLUTION NO. 22-14C

A RESOLUTION AUTHORIZING AND APPROVING THE CONDUIT BOND ISSUANCE OF NOT TO EXCEED \$26,000,000 SCHOOL FACILITY REVENUE AND REFUNDING BONDS, SERIES 2022 (WATERFORD SCHOOL, LLC), TO FINANCE THE COSTS OF A NEW SCIENCE BUILDING AND RELATED IMPROVEMENTS AND TO REFUND CERTAIN OUTSTANDING SCHOOL FACILITY REVENUE BONDS AND OTHER OBLIGATIONS FOR WATERFORD SCHOOL, LLC (THE “BORROWER”); SUCH BONDS SHALL BE PAYABLE SOLELY FROM THE REVENUES ARISING FROM THE PLEDGE OF A LOAN AGREEMENT, AMONG SANDY CITY, UTAH, THE BORROWER, AND ZIONS BANCORPORATION, N.A., DBA ZIONS FIRST NATIONAL BANK; AUTHORIZING THE EXECUTION AND DELIVERY OF SAID LOAN AGREEMENT AND RELATED DOCUMENTS; AND RELATED MATTERS.

WHEREAS, pursuant to the Utah Industrial Facilities and Development Act, Title 11, Chapter 17, Utah Code Annotated 1953, as amended (the “Act”), the City of Sandy, Utah (the “Issuer”), is authorized to issue conduit revenue bonds to finance and refinance the costs of any “project” as defined in the Act to the end that the Issuer may be able to promote the general welfare within the State of Utah; and

WHEREAS, the Act provides that a municipality may issue conduit revenue bonds for the purpose of using substantially all of the proceeds thereof to pay or to reimburse a company for the costs of the acquisition, construction, and furnishing of the facilities of a project and that title to or in such facilities may at all times remain in the company and in such case the bonds of the municipality shall be secured by a pledge of one or more notes, debentures, bonds, or other secured or unsecured debt obligations of the company; and

WHEREAS, Issuer is authorized and empowered under the laws of the State, including the Act, to issue conduit revenue bonds and to enter into loan agreements, contracts, and other instruments and documents necessary or convenient to obtain loans for the purpose of facilitating the financing and refinancing of certain projects as described in the Act; and

WHEREAS, in furtherance of the purposes of the Act and at the request of Waterford School, LLC, a Utah limited liability company, the sole member of which is Waterford School Holding Corporation, a Utah nonprofit corporation (the “Borrower”), the Issuer proposes to (i) refund certain outstanding bonds and obligations of the Borrower (collectively, the “Refunded Bonds”) and (ii) finance certain expenditures to be incurred by the Borrower for the acquisition, construction, furnishing, equipping and improvement of an approximately 38,000 square foot science building and other improvements to the Borrower’s educational campus located at 1590 East 9400 South in Sandy, Utah (collectively, the “Project”) by issuing its School Facility Revenue and Refunding Bonds, Series 2022 (Waterford School, LLC) (in one or more series and with such additional title

or designations as may be determined), in the total principal amount of not to exceed \$26,000,000 (the “Series 2022 Bonds”) and lending the proceeds thereof to Borrower; and

WHEREAS, the Council on February 15, 2022, adopted a resolution and made certain findings and determinations with respect to the Project; and

WHEREAS, after published notice, a public hearing was held on March 1, 2022, at which any interested party had an opportunity to comment upon the proposed issuance of the Series 2022 Bonds, or any other matter relating to the Project; and

WHEREAS, the Project will be of the character and will accomplish the purposes provided by the Act, and in connection with the financing of the Project the Issuer desires to issue its Series 2022 Bonds; and

WHEREAS, Borrower proposes to borrow the proceeds of the Series 2022 Bonds upon the terms and conditions set forth herein to finance the costs of Project; and

WHEREAS, Borrower shall make loan payments directly to Zions Bancorporation, N.A., dba Zions First National Bank or any related entity (the “Lender”) as assignee of Issuer and holder of the Series 2022 Bonds pursuant to the terms set forth in a Loan Agreement (the “Loan Agreement”) among the Issuer, the Lender, and the Borrower, substantially in the form attached hereto as Exhibit B; and

WHEREAS, pursuant to the provisions of the Loan Agreement, the Borrower will promise to pay amounts sufficient to pay, when due the principal of, premium, if any, and interest on the Series 2022 Bonds, all in accordance with the requirements of the Act; and

WHEREAS, the Act and the documents to be signed by the Issuer provide that the Series 2022 Bonds shall not constitute or give rise to a general obligation or liability of the Issuer or be a charge against its general credit or taxing powers and that the Series 2022 Bonds will be payable solely from and secured only by the revenues arising from the pledge and assignment under the Loan Agreement; and

WHEREAS, the Council desires to approve the issuance of the Series 2022 Bonds and to authorize the execution and delivery of the Loan Agreement and related documents.

NOW, THEREFORE, BE IT RESOLVED by the Council as follows:

Section 1. All terms defined in the recitals hereto shall have the same meaning when used herein.

Section 2. The Issuer is authorized to finance the costs of the Project by the Borrower with the proceeds of the Series 2022 Bonds, all pursuant to the provisions of the Act. All action heretofore taken by the officers of the Issuer directed toward the issuance of the Series 2022 Bonds is hereby ratified, approved, and confirmed.

Section 3. The Issuer is authorized and directed to issue the Series 2022 Bonds in the aggregate principal amount of up to \$26,000,000. The Series 2022 Bonds shall bear

interest as described in the Loan Agreement, shall be payable on the dates, shall be subject to redemption prior to maturity, and shall mature all as set forth in the Loan Agreement.

The form, terms, and provisions of the Series 2022 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, tender, and number shall be as set forth in the Loan Agreement. The Mayor and City Recorder are hereby authorized and directed to execute and seal the Series 2022 Bonds. The signatures of the Mayor and City Recorder may be by facsimile or manual execution.

The form of Bond is set out in the Loan Agreement, a copy of which was before the Council at this meeting, which form is incorporated herein by reference and made a part hereof.

Section 4. The Series 2022 Bonds are to be issued in accordance with and pursuant to, and the Issuer is authorized and directed to execute and deliver, the Loan Agreement, in substantially the same form presented to the Council at the meeting at which this resolution was adopted (with such final financial terms as may be determined so long as the aggregate par amount of Series 2022 Bonds does not exceed \$26,000,000). The Loan Agreement provides for the use of the proceeds of the Series 2022 Bonds solely for the purpose of financing the cost of the Project and for paying expenses incidental thereto. The Loan Agreement provides for certain representations and warranties by the Issuer and the Borrower, for certain conditions precedent to the purchase of the Series 2022 Bonds, for certain affirmative and negative covenants, and for remedies in connection with the failure to perform certain covenants thereunder. The Loan Agreement specifically provides that the Series 2022 Bonds shall not constitute or give rise to a general obligation or liability of the Issuer or a charge against its general credit or taxing powers. Recourse on the Series 2022 Bonds executed and delivered by the Issuer pursuant to the Loan Agreement may be had only against the security for the Series 2022 Bonds as provided therein and in the Loan Agreement.

Section 5. The Loan Agreement provides that if the proceeds of the Series 2022 Bonds are not sufficient to defray all costs and expenses of acquiring, constructing, and improving the Project and all expenses incidental thereto, the Borrower will pay all such excess costs and expenses, and will acquire and install the Project without additional cost to the Issuer.

Section 6. The Project will constitute a facility as contemplated in the Act consisting of certain buildings, equipment, and related improvements, including any modification thereof, substitutions therefor and amendments thereto.

Section 7. The Loan Agreement, in substantially the form presented to the Council at this meeting, with such changes as are authorized by Section 8 hereof, is hereby approved in all respects, and the Mayor and City Recorder are hereby authorized to execute the same on behalf of the Issuer and to affix the seal of the Issuer thereto and the acts of the Mayor and City Recorder in so doing are and shall be the act and deed of the Issuer. The Mayor and City Recorder or any other proper officers and employees of the Issuer are

hereby authorized and directed to take all steps on behalf of the Issuer to perform and discharge the obligations of the Issuer under each of said instruments.

Section 8. The Mayor and City Recorder of the City are hereby authorized to make, either prior or subsequent to the execution thereof, any alterations, changes, or additions in the Loan Agreement and the Series 2022 Bonds which may be necessary to reflect final financial terms of the Series 2022 Bonds (so long as the aggregate principal amount of the Series 2022 Bonds does not exceed \$26,000,000), correct any errors or omissions therein, to remove ambiguities therefrom, to conform the same to other provisions of said instruments, to the agreement of the Borrower and the Lender, to the provisions of this resolution, or any other resolution adopted by the Issuer, or the provisions of the laws of the State of Utah or the United States as long as the rights of the Issuer are not materially adversely affected thereby.

Section 9. Pursuant to Section 11-17-13, Utah Code Annotated 1953, as amended, the Issuer notes herein the pledge and undertaking of the State of Utah that the State of Utah will not alter, impair, or limit the rights vested hereunder or in the Series 2022 Bonds, the Loan Agreement, or any of the documents contemplated hereby until the Series 2022 Bonds, together with all interest thereon, have been fully paid and discharged and all obligations of the Issuer thereunder and under the Loan Agreement are fully performed.

Section 10. It is hereby declared that all parts of this resolution are severable and that if any section, paragraph, clause, or provision of this resolution shall, for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause, or provision shall not affect the remaining provisions of this resolution.

Section 11. The Mayor and City Recorder and any other duly authorized officers of the Issuer are hereby authorized to execute all documents and take such action as they may deem necessary or advisable in order to carry out and perform the purpose of this resolution and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 12. All resolutions, orders, and regulations or parts thereof heretofore adopted or passed which are in conflict herewith are, to the extent of such conflict, hereby repealed. This repealer shall not be construed so as to revive any resolution, order, regulation or part thereof heretofore repealed.

Section 13. This resolution shall take effect immediately upon its adoption.

ADOPTED AND APPROVED this April 5, 2022.

(SEAL)

By: _____
Chair

ATTEST:

By: _____
City Recorder

PRESENTATION TO THE MAYOR

The foregoing resolution was presented to the Mayor for approval or disapproval on April 5, 2022.

Chair

MAYOR'S APPROVAL OR DISAPPROVAL

The foregoing resolution is hereby approved this April 5, 2022.

Mayor

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

I, Wendy Downs, the duly appointed and qualified City Recorder of the City of Sandy, Utah (the "City"), do hereby certify according to the records of the City Council of the City in my official possession that the foregoing constitutes a true and correct excerpt of the proceedings of the meeting of the City Council of the City held on April 5, 2022, including a resolution (the "Resolution") adopted at said meeting and that said proceedings 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 April 5, 2022.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said City, this April 5, 2022.

(SEAL)

By: _____
City Recorder

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

I, Wendy Downs, the undersigned City Recorder of Sandy, 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 April 5, 2022, public meeting held by 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 _____, 2022, 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 delivered to The Salt Lake Tribune, either directly or through 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

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

In addition, the 2022 Notice of Annual Meeting Schedule for the City Council, in the form attached hereto as Schedule 2, was given specifying the date, time and place of the regular meetings of said Council to be held during the year, by causing said Notice to be (i) posted on _____, 2022 at the principal office of the Council, (ii) provided to at least one newspaper of general circulation within the City on _____, 2022 either directly or through the newspaper’s subscription to the Utah Public Notice Website (<http://pmn.utah.gov>) and (iii) published on the Utah Public Notice Website (<http://pmn.utah.gov>) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this April 5, 2022.

City Recorder

(SEAL)

SCHEDULE I
MEETING NOTICE

SCHEDULE 2

ANNUAL MEETING SCHEDULE

EXHIBIT B

LOAN AGREEMENT