

Sandy, Utah

February 15, 2022

The City Council (the “Council”) of Sandy City, Utah (the “City”), met in regular public session at the regular meeting place of the Council in Sandy City, Utah, at 5:15 p.m. on February 15, 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 February 15, 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. 22-10C

A RESOLUTION OF THE CITY COUNCIL OF SANDY CITY, UTAH (THE “CITY”) AUTHORIZING THE ISSUANCE AND SALE OF A CONDUIT BOND ISSUANCE OF NOT MORE THAN \$26,000,000 AGGREGATE PRINCIPAL AMOUNT OF THE CITY’S 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; PROVIDING FOR THE PUBLICATION OF A NOTICE OF BONDS TO BE ISSUED AND A NOTICE OF PUBLIC HEARING; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AND RELATED MATTERS.

WHEREAS, the City is authorized by the Utah Industrial Facilities and Development Act, Title 11, Chapter 17, Utah Code Annotated 1953, as amended, (the “Act”) to issue conduit revenue bonds for the purpose of defraying the cost of financing, acquiring, constructing, equipping and furnishing land, buildings, facilities and improvements which are suitable for use for any business purposes and to issue revenue refunding bonds to refinance the same; and

WHEREAS, the Act provides that a municipality may issue 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 and construction 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, there has been presented to the City at this meeting a request from Waterford School, LLC, a Utah limited liability company, the sole member of which is Waterford School Holding Corporation, a Utah nonprofit corporation (the “Borrower”) asking the City to adopt a resolution authorizing the issuance and sale of the City’s School Facility Revenue and Refunding Bonds, Series 2022 (Waterford School, LLC) (the “Bonds”), to be issued in one or more series with such additional title or designation as may be determined, the proceeds of which will be used 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 the City (collectively, the “Project”); and

WHEREAS, the Bonds shall be special limited obligations of the City, issued by the City as a conduit, and payable solely from and secured by revenues, rights, interests and collections pledged by the Borrower and shall not constitute nor give rise to a general

obligation or liability (legal or equitable) of the City or of the State of Utah or of any subdivision thereof or a charge against its general credit or taxing power; and

WHEREAS, the City has determined that it would be in furtherance of the purposes of the City and the Act to issue not more than \$26,000,000 of the Bonds, for the purpose of refunding the Refunded Bonds and financing the construction, equipping and furnishing of the Project; and

WHEREAS, Section 11-17-16 of the Act provides for the publication of a Notice of Bonds to be Issued, and the City desires to publish such a notice at this time in compliance with the Act with respect to the Bonds and to give notice of a public hearing to be held by the City with respect to the Bonds;

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF SANDY CITY, UTAH, AS FOLLOWS:

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

Section 2. All action heretofore taken (not inconsistent with the provisions of this resolution), by the City and by the officers of the City directed toward the issuance of the Bonds are hereby ratified, approved and confirmed.

Section 3. In order to refund the Refunded Bonds and finance the acquisition, construction and furnishing of the Project with the resulting public benefits which will flow therefrom, and to pay costs of issuance related thereto, the City hereby expresses its intent to issue the Bonds as a conduit for the benefit of the Borrower pursuant to the provisions of the Act in a principal amount presently estimated not to exceed \$26,000,000, subject to the City Council adopting a final bond resolution approving documentation for such Bonds.

Section 4. The City will loan the proceeds of the Bonds to the Borrower pursuant to a loan agreement or other financing document between the City and the Borrower whereby such entity will be obligated, among other things, (i) to make payments to the City in amounts and at times sufficient to pay the principal of and premium, if any, and interest on all of the Bonds and (ii) to provide, or cause to be provided, collateral or other security to secure payment of the Bonds in such manner and in such amounts as the purchaser of the Bonds deems appropriate. The City has not authorized the pledge of its credit for the payment of the Bonds, the refunding of the Refunded Bonds or the financing of the Project.

Section 5. The City hereby expresses the intent to reimburse the Borrower for the refunding of the Refunded Bonds and costs of the Project determined to be qualified for reimbursement pursuant to the provisions of Treasury Regulation Section 1.150-2. Notwithstanding anything herein contained to the contrary, the City shall have no liability to the Borrower for any costs or funds advanced if the Bonds are not issued.

Section 6. The Council hereby finds and determines that it is in the interests of the City for the City to issue not more than \$26,000,000 aggregate principal amount of its

School Facility Revenue and Refunding Bonds, Series 2022 (Waterford School, LLC) (to be issued in one or more series and with such other title or designation as may be determined by appropriate officers of the City) for the purposes of refunding the Refunded Bonds and financing the construction, equipping and furnishing of the Project to be located in the City, and paying related expenses.

Section 7. The City hereby authorizes and approves the issuance and sale of the Bonds pursuant to the provisions of this resolution and a final bond resolution to be considered for adoption by the Council authorizing and confirming the issuance and sale of the Bonds.

Section 8. In accordance with provisions of the Act and in order to comply with Section 147(f) of the Internal Revenue Code of 1986, as amended, the Council hereby authorizes the City Recorder to publish a “Notice of Bonds to be Issued and of Public Hearing” (i) one (1) time in The Salt Lake Tribune, a newspaper of general circulation within the City, at least seven (7) days prior to March 1, 2022, the hearing date set forth in said Notice, (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, and the Council will meet in public session on March 1, 2022 to receive public comment on the proposed issuance of the Bonds. The City Recorder shall also cause a copy of this resolution to be kept on file in her office in Sandy City, Utah, for public examination during the regular business hours of the City until at least thirty (30) days from and after the date of publication thereof. The Notice of Bonds to be Issued and of Public Hearing is in substantially the following form:

**NOTICE OF BONDS TO BE ISSUED
AND OF PUBLIC HEARING
CITY COUNCIL OF
SANDY CITY, UTAH**

**WITH RESPECT TO
NOT TO EXCEED \$26,000,000
SCHOOL FACILITY REVENUE AND REFUNDING BONDS
(WATERFORD SCHOOL, LLC)
SERIES 2022**

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Utah Industrial Facilities and Development Act, Title 11, Chapter 17, Utah Code Annotated 1953, as amended, that on February 15, 2022, the City Council (the “Council”) of Sandy City, Utah (the “City”) adopted a resolution (the “Resolution”) in which it authorized the issuance of the City’s School Facility Revenue and Refunding Bonds, Series 2022 (Waterford School, LLC) (to be issued as conduit bonds in one or more series and with such other title or designation as may be determined by the City) (the “Bonds”) in the aggregate principal amount of not to exceed \$26,000,000 and to mature in not more than 33 years from the date of issuance. Pursuant to the Resolution, the City proposes to lend the proceeds of the Bonds to Waterford School, LLC, a Utah limited liability company, the sole member of which is Waterford School Holding Corporation, a Utah nonprofit corporation (the “Borrower”) for the purpose of refunding certain outstanding bonds and obligations of the Borrower (the “Refunded Bonds”) and financing 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 (the “Project”) to be used by the Borrower and to be located on the Borrower’s main campus with a principal address of 1590 East 9400 South in Sandy, Utah. The Project will be owned and operated by the Borrower.

NOTICE IS FURTHER GIVEN that, in connection with the City’s proposed issuance of the Bonds, the Council will meet on March 1, 2022 at 5:15 p.m. for the purpose of conducting a public hearing. Interested individuals are invited to express their views, both orally and in writing, on the proposed issue of the Bonds and the location and nature of the Project. Comments at the public hearing are invited. Written comments may be submitted to the City at its Council office located at 10000 Centennial Parkway in Sandy, Utah, until 5:00 p.m. on March 1, 2022. Additional information may be obtained from the City at its office shown above or by calling (801) 568-7100. Subsequent to the hearing, the Council will consider approving the Bonds.

The City is authorized to issue the Bonds pursuant to the Act. The Bonds will be special limited obligations of the City payable solely from amounts provided by the Borrower, including monies and securities held from time to time pursuant to a loan or other financing agreement and related security documents pursuant to which the Bonds are to be issued. The Bonds and the interest thereon will not be a debt of the City or of the State of Utah or any political subdivision, and neither the City nor the State of Utah or any political subdivision will be liable thereon, and in no event will the Bonds or the interest

thereon be payable out of any funds or properties other than those of the Borrower. The Bonds will not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

The Bonds are to be issued and sold by the City pursuant to the Resolution and a Final Bond Resolution to be adopted by the City. A copy of the Resolution is on file in the office of the City Recorder of the City at 10000 Centennial Parkway Sandy, Utah, where it may be examined during regular business hours of the City from 8:00 a.m. to 5:00 p.m., Monday through Friday, 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 or the Bonds, or any provision made for the security and payment of the 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.

Date: February 15, 2022

/s/ Wendy Downs

City Recorder

Section 9. If any provisions of this resolution should be held invalid, the invalidity of such provision shall not affect the validity of any of the other provisions of this resolution.

Section 10. No member of the Council of the City or employee of the City has any interest, direct or indirect, in the transactions contemplated by the City as described herein.

Section 11. No party should rely upon the proposed issuance of the Bonds and the City hereby reserves the right to opt not to issue the Bonds for any reason.

Section 12. All resolutions of the City or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency.

Section 13. This resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF SANDY CITY, UTAH
THIS FEBRUARY 15, 2022.

Chair

(SEAL)

ATTEST:

City Recorder

PRESENTATION TO THE MAYOR

The foregoing resolution was presented to the Mayor for approval or disapproval on February 15, 2022.

Chair

MAYOR'S APPROVAL OR DISAPPROVAL

The foregoing resolution is hereby approved this February 15, 2022.

Mayor

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Wendy Downs, 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 February 15, 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 Sandy City, Utah, 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 at least twenty-four (24) hours prior to the convening of the meeting; and

(c) By causing a copy of such Notice 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 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 February 15, 2022.

City Recorder

(SEAL)

SCHEDULE 1

NOTICE OF MEETING

SCHEDULE 2

ANNUAL MEETING SCHEDULE