



City Council Staff Report

Date:

03/06/2024

Prepared By:

Bryce Oyler

Public Hearing:

Yes

REQUEST

A RESOLUTION AUTHORIZING THE SEWER REVENUE OBLIGATIONS, SERIES 2024 (THE "SERIES 2024 OBLIGATIONS") IN THE MAXIMUM PRINCIPAL AMOUNT OF \$5,600,000 TO ACQUIRE AND CONSTRUCT PART OF THE ISSUER'S PORTION OF SEWER TREATMENT FACILITIES AND RELATED MATTERS; APPOINTING A PRICING COMMITTEE; AND AUTHORIZING ALL OTHER ACTIONS NECESSARY FOR THE TRANSACTIONS CONTEMPLATED HEREIN; AND RELATED MATTERS.

Attachments:

Authorizing Reso

BACKGROUND & DESCRIPTION

On February 7, 2024 staff presented to council an action item discussing the need for additional funds needed to complete the construction of the sewer plant, as well as setting a date for a public hearing.

Mapleton City needs to provide an additional \$5,600,000 for the completion of the shared sewer plant. Staff recommended borrowing that money in the form of a note from Spanish Fork. Whenever a municipality acquires debt, a public hearing is required. This public hearing is an opportunity for the public to address any questions or concerns regarding this debt obligation.

RECOMMENDATION

A RESOLUTION AUTHORIZING THE SEWER REVENUE OBLIGATIONS, SERIES 2024 (THE "SERIES 2024 OBLIGATIONS") IN THE MAXIMUM PRINCIPAL AMOUNT OF \$5,600,000 TO ACQUIRE AND CONSTRUCT PART OF THE ISSUER'S PORTION OF SEWER TREATMENT FACILITIES AND RELATED MATTERS; APPOINTING A PRICING COMMITTEE; AND AUTHORIZING ALL OTHER ACTIONS NECESSARY FOR THE TRANSACTIONS CONTEMPLATED HEREIN; AND RELATED MATTERS.

MAPLETON CITY, UTAH
FINAL BOND RESOLUTION
SEWER REVENUE OBLIGATIONS, SERIES 2024
MARCH 6, 2024

RESOLUTION NO. 2024-____

A RESOLUTION AUTHORIZING THE SEWER REVENUE OBLIGATIONS, SERIES 2024 (THE “SERIES 2024 OBLIGATIONS”) IN THE MAXIMUM PRINCIPAL AMOUNT OF \$5,600,000 TO ACQUIRE AND CONSTRUCT PART OF THE ISSUER’S PORTION OF SEWER TREATMENT FACILITIES AND RELATED MATTERS; APPOINTING A PRICING COMMITTEE; AND AUTHORIZING ALL OTHER ACTIONS NECESSARY FOR THE TRANSACTIONS CONTEMPLATED HEREIN; AND RELATED MATTERS.

WHEREAS, the City Council (the “Council”) of Mapleton City, Utah County, Utah (the “Issuer”) desires (i) to acquire and construct a part of the Issuer’s portion of sewer treatment facilities and related matters (the “Project”), (ii) to fund a debt service reserve fund, if desirable, and (iii) to pay the costs associated with such financing; and

WHEREAS, pursuant to a Notice of Public Hearing and Bonds to Be Issued, which was published in conformance with the Utah Local Government Bonding Act, Chapter 14 of Title 11, Utah Code Annotated 1953, as amended, and the Utah Interlocal Cooperation Act, Chapter 13 of Title 11, Utah Code Annotated 1953, as amended the Council held a public hearing on March 6, 2024, and received public comment concerning the proposal to issue its Sewer Revenue Obligations, Series 2024 in a principal amount not to exceed \$5,600,000; and

WHEREAS, the Council took all comments under advisement at the public hearing; and

WHEREAS, after taking all public comments under advisement and in consideration of the needs of the community, the Council desires to (i) finance the Project, (ii) fund a debt service reserve fund, if desirable, and (iii) pay the costs of issuing the Series 2024 Obligations; and

WHEREAS, to accomplish the purposes set forth in the foregoing recitals, the Issuer desires to issue its Sewer Revenue Obligations, Series 2024 Obligations in the maximum aggregate principal amount of not to exceed \$5,600,000 (the “Series 2024 Obligations”) pursuant to this Resolution; and

WHEREAS, the Series 2024 Obligations shall be payable solely from the Revenues and other moneys pledged therefor and shall not constitute or give rise to a general obligation or liability of the Issuer or constitute a charge against its general credit or ad valorem taxing powers:

NOW THEREFORE, IT IS HEREBY RESOLVED by the City Council of Mapleton City, Utah County, Utah, as follows:

The terms defined or described in the recitals hereto shall have the same meanings when used in the body of this Resolution.

All actions heretofore taken (not inconsistent with the provisions of this Resolution), by the Council and by the officers of the Issuer directed toward the issuance and sale of the Series 2024 Obligations, are hereby ratified, approved and confirmed.

The Mayor and the City Manager are hereby appointed to be the Pricing Committee with respect to the Series 2024 Obligations and any associated documents and are further authorized and directed, and the power is hereby delegated to them, to execute and deliver the Series 2024 Obligations and all documents relating to the issuance of the Series 2024 Obligations on behalf of the Issuer, with such additions, modifications, deletions and changes thereto as may be deemed necessary or appropriate and approved by the Mayor, whose execution thereof 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.

For the purpose (i) to acquire and construct the Project, (ii) to fund a debt service reserve fund, if desirable, and (iii) to pay the costs associated with such financing, the Issuer hereby authorizes the issuance of the Series 2024 Obligations which shall be designated “Mapleton City, Utah County, Utah Sewer Revenue Obligations, Series 2024,” in the amount and with the terms to be finalized by the Pricing Committee.

The Issuer hereby authorizes the issuance of the Series 2024 Obligations in the maximum aggregate principal amount of \$5,600,000. The Series 2024 Obligations shall be issued as fully registered bonds, and shall bear interest, be dated, and mature as determined by the Pricing Committee and shall have such other terms and conditions as the Pricing Committee shall agree, provided the maximum amount, interest rate, maturity and discount are less than the amounts set forth in the parameters resolution of the Issuer adopted on February 7, 2024, related to the Series 2024 Obligations.

The form, terms and provisions of the Series 2024 Obligations and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth as the Pricing Committee shall agree. The Mayor and City Recorder, or their designees, are hereby authorized and directed to execute and seal the Series 2024 Obligations and to deliver the Series 2024 Obligations. The signatures of the Mayor and the City Recorder may be by facsimile or manual execution, provided at least one is manual.

The appropriate officials of the Issuer are hereby authorized and directed to execute and deliver the written order of the Issuer for authentication and delivery of the Series 2024 Obligations.

The Series 2024 Obligations shall be sold upon the terms and as the Pricing Committee shall agree, subject to the authorizations contained herein.

Upon their issuance, the Series 2024 Obligations will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2024 Obligations. No provision of this Resolution, the Series 2024 Obligations, 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.

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 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.

After the Series 2024 Obligations 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 2024 Obligations are paid in full or deemed to have been duly discharged.

It is hereby declared that all parts of this Resolution are severable, and if any section, 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, clause or provision shall not affect the remaining sections, clauses or provisions of this Resolution.

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.

The City Recorder is directed to complete and execute the Record of Proceedings attached hereto to officially record the proceedings at which this Resolution was considered for adoption.

This Resolution shall take effect immediately upon its approval and adoption.

PASSED, APPROVED AND ADOPTED this March 6, 2024.

Mayor

ATTEST:

City Recorder

(S E A L)

RECORD OF PROCEEDINGS

The City Council (the “City Council”) of Mapleton City, Utah County, Utah (the “Issuer”), met in a public meeting at the City Council’s regular meeting place at 125 West Community Center Way in Mapleton, Utah, on March 6, 2024, at 6:00 p.m., or as soon thereafter as feasible (the “Meeting”). Present at the Meeting were the following members of the City Council:

Present:

Dallas Hakes	Mayor
Kasey Beck	Councilmember
Reid Carlson	Councilmember
Jessica Egbert	Councilmember
Leslie Jones	Councilmember
Therin Garrett	Councilmember

Also Present:

Cory Branch	City Administrator
Camille Brown	City Recorder

Absent:

which constituted all members thereof.

After the Meeting had been duly called to order and after other matters were discussed, the foregoing resolution (the “Resolution”) was introduced in written form and fully discussed.

A motion to adopt the Resolution was then duly made by Councilmember _____ and seconded by Councilmember _____, and the Resolution was put to a vote and carried, the vote being as follows:

Those Voting Aye:

Those Voting Nay:

Those Absent:

Other business not pertinent to the foregoing ordinance appears in the minutes of the Meeting. Upon the conclusion of all the business on the agenda and upon motion duly made and seconded, the Meeting was adjourned.

CERTIFICATE OF CITY RECORDER

I, Camille Brown, the undersigned and duly qualified and acting City Recorder of the Issuer do hereby certify:

The attached Resolution is a true, accurate and complete copy thereof adopted by the City Council of the Issuer at a lawful public meeting duly held and conducted by the City Council in Mapleton, Utah, on March 6, 2024, commencing at the hour of 6:00 p.m., or as soon thereafter as feasible (the "Meeting"), as recorded in the regular official book of the proceedings of the Issuer kept in my office. The Meeting was called and noticed as required by law as is evidenced by the following Certificate of Compliance with Open Meeting Law. The persons present and the result of the vote taken at the Meeting are all as shown above.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer, this March 6, 2024.

City Recorder

(S E A L)

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Camille Brown, the undersigned City Recorder of the Issuer do hereby certify, according to the records of the Issuer 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 March 6, 2024, public meeting held by the Issuer (the "Meeting") as follows:

By causing a notice, in the form attached hereto (the "Meeting Notice"), to be posted at the Issuer's principal offices at least twenty-four (24) hours prior to the convening of the Meeting, the Meeting Notice having continuously remained so posted and available for public inspection until the completion of the Meeting;

By causing a copy of the Meeting Notice to be posted on the Issuer's website of the City at least twenty-four (24) hours prior to the convening of the Meeting; and

By causing a copy of the Meeting Notice to be posted on the Utah Public Notice Website at least twenty-four (24) hours prior to the convening of the Meeting.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this March 6, 2024.

City Recorder

(S E A L)

(Attach the Meeting Notice, including proof of posting thereof on the Utah Public Notice Website)