

## Application for Project Review Garden City, Utah

This application must be accompanied with the necessary and appropriate materials, as stated on the project checklist, before it will be accepted for processing. The date upon which the project will appear on an agenda is determined by the notification schedule required by the State of Utah. The project will be scheduled for the next meeting for which a legal notice has not yet been prepared, after an application is accepted as complete by the Town Staff.

Type of Application (check all that apply):

- ☐ Annexation
- ☐ Appeal
- ☐ Conditional Use Permit
- ☐ Condominium/Townhouse
- ☐ Encumbrance
- ☐ Extension of Time
- ☐ Lot Split/Lot Line Adjustment
- ☐ Plat Amendment (Subdivision)
- ☐ PUD Development Plan
- ☐ PUD Phase Approval/Preliminary or Final
- ☐ PRUD Conceptual
- ☐ PRUD Phase Approval/Preliminary or Final
- ☐ Subdivision
- ☐ Vacation of Subdivision
- ☐ Variance
- ☐ Water Transfer
- ☐ Zone Change
- ☐ AEG Meeting, (Affected Entity Group)

Ordinance Reference:

11A-301  
11B-400  
11C-500  
11E-524 or 11E-525  
  
Subdivision 11E-503/PUD or PRUD 11F-107-A-2  
11E-506  
  
11C-1950, 11E-100, and 11F-100  
11C-1950, 11E-100, and 11F-100  
11C-1950, 11E-100, and 11F-100  
11C-1950, 11E-100, and 11F-100  
11E-100  
11E-523  
11B-308  
13A-1300

☒ Other Land Use Permit PID Application and Approval

Project Name: Shundahai Current Zone: MDA Proposed Zone: NA

Property Address: S First Lgt Dr, Garden City, Ut 84028

Parcel # 41-20-000-0029, 41-29-000-43, 41-29-000-50, 41-29-000-53, 41-30-000-006, 41-29-000-0034, 41-29-000-39, 41-29-000-36, 41-32-000-0015

Contact Person: Braden Hansen Phone #: 801-953-6488

E-mail address: bhansen@vantage-development.com

Mailing Address: 1982 Pleasant Grove Blvd, Pleasant Grove, Ut, 84062

Applicant (if different): Larry Myler Phone #: 801-376-8576

Mailing Address: 10771 Rippling Bay, South Jordan, Ut, 84009

Property Owner of Record (if different): Norm Mecham Phone #: NA

Mailing Address: NA

Project Start date: 11/14/2024 Completion date: \_\_\_\_\_

Describe the proposed project as it should be presented to the hearing body and in the public notices.

Application is for the public infrastructure district for the Shundahai project in Garden City

Lot Size in acres or square feet: NA Number of dwellings or lots: NA

Non-residential building size: NA

I certify that the information contained in this application and supporting materials is correct and accurate. I have read and understand the requirements and deadlines associated with this application.

DocuSigned by:

Larry Myler

5BE25497B53F410...

Signature of Applicant

I certify that I am the Owner of Record of the subject property and that I consent to the submittal of this application. **Owner of Record MUST sign the application prior to submitting to Garden City.**

[Signature]

Signature of Owner of Record

\_\_\_\_\_  
Signature of Owner of Record

\_\_\_\_\_  
Signature of Owner of Record

Office Use Only

Date Received: \_\_\_\_\_

Fee: \$2000.00

By: Shardene

October 30, 2024

Town of Garden City, Utah  
Attn: Town Clerk  
69 N. Paradise Parkway, Bldg. B.  
P.O. Box 207  
Garden City, UT 84028  
435-946-2901

**Re: Letter of Intent to Create Shundahai Public Infrastructure District Nos. 1-2 to Facilitate Construction of Infrastructure and Facilities in Relation to the Shundahai Development**

To Whom It May Concern:

This letter sets forth certain proposed terms for the approval by Garden City, Utah (the "Town") of two Public Infrastructure Districts (the "PIDs") requested by Vantage Development ("Developer"), and in connection with the Shundahai development (the "Development").

This letter constitutes a letter of intent from Developer to request approval by the Town of two new PIDs as follows:

1. **CREATION OF PIDs.** Developer requests that the Town approve the creation of two new PIDs in the boundaries of the Town as more particularly set forth herein. The names proposed for the new PIDs are "Shundahai Public Infrastructure District No. 1 and Shundahai Public Infrastructure District No. 2."
2. **DESCRIPTION OF PROPOSED DISTRICTS.** The proposed PIDs shall be as follows:
  - a. **Size:** Approximately 0.18 acres for the initial boundaries of the Districts and 815 acres for the annexation area. Legal descriptions and a map of the proposed boundaries are included in the Petition submitted to the Town with this letter of intent.
  - b. **Location:** Parcel # 41-20-000-0029, 41-29-000-43, 41-29-000-50, 41-29-000-53, 41-30-000-006, 41-29-000-0034, 41-29-000-39, 41-29-000-36, 41-32-000-0015
  - c. **Area Context:** Near Bear Lake, Utah
  - d. **Development history:** raw land
  - e. **Proposed development:** The Developer intends to construct golf course community and lake-front resort.
  - f. **Annexation Area Boundaries:** In accordance with Section 17D-4-201, the Developer is requesting that the Town authorize the entirety of the PID boundaries be approved as an annexation area for annexation into or withdrawal from the PID boundaries without further legislative action of the Town Council upon the occurrence of certain

requirements, as will be established in the Governing Document. It is anticipated that portions of the annexation area will be annexed into the proposed boundaries as phasing of development and detailed financing plans are determined. Legal descriptions and a map of the proposed annexation area are included in the Petition submitted to the Town with this letter of intent.

3. **DESCRIPTION AND PROPOSED DEVELOPMENT WITHIN DISTRICTS.**

The proposed development includes commercial and residential with a mix of high, medium and low density, consistent with the master plan.

4. **SUMMARY OF NEEDED INFRASTRUCTURE, SERVICES, & FACILITIES.**

The Developer envisions the proposed PIDs being utilized for the following development, infrastructure, services and facilities:

a. Currently expected development scenario:

The Developer anticipates developing single-family residential, multi-family residential, commercial, hotels/rentals and a private golf course within the boundaries of the Districts. It is expected that, where applicable, the Town and the landowners will enter into development agreements regarding the phasing, type, number, and intensity of uses within the boundaries. By doing so, the Town and the landowners can work together to plan development of this area in a manner that is mutually beneficial.

b. Required local and regional infrastructure and facilities to be constructed include a water tank, public parks and trails.

c. Regional and local infrastructure the proposed Districts are to provide:

The Developer is requesting that the Districts fund all of the required local and regional infrastructure.

d. Estimated construction costs for the proposed District improvements:

Approximately \$101,781,150

e. General description of phasing of construction:

3 phase residential and single-phase commercial

f. Anticipated maximum or fixed maximum mill levy:

0.0065 (6.5 mil)

g. Analysis of proposed mill levy:



| Taxing Entity                             | 2023 Tax Rate |
|---|---------------|
| Rich County                               | 0.000479      |
| Multicounty A&C Levy                      | 0.000015      |
| County A&C Levy                           | 0.000196      |
| Rich County School District               | 0.003138      |
| Garden City                               | 0.000203      |
| Garden City-Pickelville Cemetery District | 0.000024      |
| Garden City Pickelville Fire District     | 0.000170      |
| Total Mill Levy                           | 0.004225      |
| Proposed District Mill Levy               | 0.0065        |
| Total Mill Levy with Proposed District    | .010725       |

5. **PROPOSED TIMELINE FOR DISTRICTS' CREATION:** Developer anticipates creating the PIDs by November 2024.

6. **DEVELOPER'S ACKNOWLEDGEMENTS:** Developer hereby acknowledges that a consent must be signed prior to the hearing date for the approval of the PIDs by all property owners and registered voters, if any, within the proposed PIDs, which signed consent approves of the creation of the proposed PIDs and the issuance of debt in an amount sufficient for the proposed plan of financing.

7. **CONFLICT OF INTEREST DISCLOSURE:** Developer is presently unaware of any conflicts of interest existing between Developer and any employees or officers of the Town.

8. **LETTERS OF ENGAGEMENT:** Developer has entered, or shall soon enter into, an agreement with the law offices of Gilmore & Bell for the payment of legal fees incurred by the firm on the Town's behalf for the review of this letter and negotiation and preparation of the Governing Documents.

Best regards,



By: Larry Myler

Manager, Vantage Development

**PETITION REQUESTING THE CREATION OF  
GLENLOCH PUBLIC INFRASTRUCTURE DISTRICT NOS. 1-2  
IN GARDEN CITY, UT**

October 29, 2024

Town of Garden City, Utah  
Attn: Town Clerk  
69 N. Paradise Parkway, Bldg. B.  
P.O. Box 207  
Garden City, UT 84028  
435-946-2901

The undersigned (the “Petitioner”) hereby requests Garden City, Utah (the “Town”) create two public infrastructure districts (the “Districts”) pursuant to the Local District Act, Title 17B, Chapter 1, Utah Code Annotated 1953 and the Public Infrastructure District Act, Title 17D, Chapter 4, Utah Code Annotated 1953 (collectively, the “Act”). The Petitioner requests the Districts in order to assist in the financing of public infrastructure relating to the construction of the Shundahai development (collectively, the “Development”). For additional information regarding the Districts and this request, please see the Letter of Intent submitted to the Town on August 28, 2024.

**I. Petitioners:**

The Legends at Bear Lake, LLC  
Attn: Norm Mecham  
10 S Bear Lake Blvd  
Box 361  
Garden City, UT 84028

Blue Water Resort, LLC  
Attn: Norm Mecham  
10 S Bear Lake Blvd  
Box 361  
Garden City, UT 84028

Tax ID(s):  
Initial District Boundary: 41-20-000-0029

Annexation Area: 41-29-000-43, 41-29-000-50, 41-29-000-53, 41-30-000-006, 41-29-000-0034, 41-29-000-39, 41-29-000-36, 41-32-000-0015

Each Petitioner constitutes a sponsor, with Larry Myler designated as the contact sponsor. There are no registered voters residing within the proposed District boundaries or the annexation area.

## **II. Proposed District Boundaries**

Petitioner requests the Districts be comprised of a portion of Rich County Parcel Number(s) 41-20-000-0029 (the "District Boundaries"), with the remainder of said parcel designated as the Annexation Area, as further described in Exhibit A.

## **III. Requested Service**

Petitioner requests the Districts be created for the purpose of financing the construction of public infrastructure relating to the Development, as permitted under the Act, including but not limited to the construction of a right-of-way and related infrastructure, all as shall be further described in a governing document approved by the Town to govern the Districts.

## **IV. Board of Trustees**

Petitioner proposes that the Board of Trustees for the Districts be initially composed of 3 members appointed by the Town Council and comprising of property owners, their agents, or officers, as follows:

- (a) Larry Myler, 10771 South Rippling Bay, South Jordan, UT 84009
- (b) James Horsley, 15157 S. 2815 W., Bluffdale, UT 84065
- (c) Trey Orsak, 1074 Timber Dr. Lehi, UT 84043

## **V. Petitioner Representations**

The Petitioners hereby represent and warrant that:

- (a) Norm Mecham is authorized to sign on behalf of the Petitioner;
- (b) The Petitioner is the sole owner of the real property included within the District Boundaries;
- (c) This Petition is signed by 100% of the surface property owners of real property within the District Boundaries;
- (d) The Petitioner will not include any portion of the Annexation Area into the Districts without the consent of 100% of the surface property owners thereof and registered voters, if any, residing within such area;
- (e) There are no registered voters residing within the District Boundaries; and
- (f) The proposed Trustees listed above are registered voters at their primary residence and are either a property owner or the agent or officer of a property owner.

## **VI. Petitioner Consent**

The Petitioners hereby consent to:

- (a) The creation of two public infrastructure districts within the District Boundaries;
- (b) Larry Myler, whose address is 10771 South Rippling Bay, South Jordan, Utah 84009, with the email address [lj@larrymyler.com](mailto:lj@larrymyler.com), and phone number 801-376-8576, acting as the contact sponsor with respect to this Petition;
- (c) The annexation of the Annexation Area into the Districts upon the conveyance, if any, of any portion of such area;
- (d) A waiver of the residency requirement for members of the Board of Trustees of the Districts as permitted under Section 17D-4-202(3)(a) of the Act;
- (e) A waiver of the entirety of the protest period described in Section 17B-1-213 of the Act pursuant to Section 17D-4-201(2)(b) of the Act;
- (f) The intended levy by the Districts of a property tax of up to 0.0065 (6.5 mills) per dollar of taxable value of taxable property within such Districts, and acknowledges that the properties of the Petitioner will be subject to such tax;
- (g) The issuance by the Districts of bonds repayable through property taxes, assessments, and/or fees.

## **VII. Electronic Means; Counterparts**

This Petition may be conducted by electronic means and executed in several counterparts, including by electronic signature, all or any of which may be treated for all purposes as an original and shall constitute and be one and the same instrument.

IN WITNESS WHEREOF, the Petitioner has executed this Petition as of the date indicated above.

Petitioners:

**The Legends at Bear Lake, LLC**, as property owner of Parcel Number: 41-20-000-0029, 41-29-000-0043, 41-29-000-0050, 41-29-000-0053, 41-30-000-0006



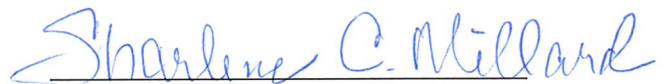
By: Norm Mecham  
Its: Authorized Agent

STATE OF UTAH )

SS:

COUNTY OF Rich )

before me this 30<sup>th</sup> day of Oct, 2024, by Norm mecham, the authorized agent of the legends at Bear Lake, LLC, having been duly authorized by said company, and said company executing the same for the uses and purposes stated therein.



NOTARY PUBLIC

Residing at: Garden City

My Commission Expires: Feb. 15, 2027





Blue Water Resort, LLC, as property owner of Parcel Number: 41-29-000-0034, 41-29-000-0039, 41-29-000-0036, 41-32-000-0015



By: Norm Mecham  
Its: Authorized Agent

STATE OF UTAH )

ss:

COUNTY OF Rich)

before me this 30<sup>th</sup> day of Oct, 2024, by Norm Mecham, the authorized agent of Bluewater Resort LLC, having been duly authorized by said company, and said company executing the same for the uses and purposes stated therein.

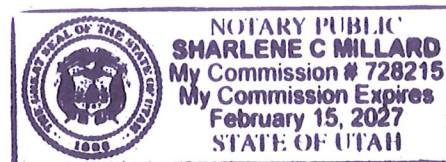
The foregoing Petition was acknowledged



NOTARY PUBLIC

Residing at: Garden City

My Commission Expires: FEB. 15, 2027



**EXHIBIT A**  
**DISTRICT BOUNDARIES AND ANNEXATION AREA**  
**LEGAL DESCRIPTIONS AND MAP**

**District Boundaries**

**District No. 1**

A portion of the SW1/4 of Section 20, Township 14 North, Range 5 East, Salt Lake Base & Meridian, located in Rich County, Utah, more particularly described as follows:

Beginning at a point located N0°12'39"W along the Section line 265.64 feet and East 205.10 feet from the Southwest Corner of Section 20, T14N, R5E, SLB&M; thence North 100.00 feet; thence East 40.00 feet; thence South 100.00 feet; thence West 40.00 feet to the point of beginning.

Contains: 4,000 s.f.

**District No. 2**

A portion of the SE1/4 of Section 20, Township 14 North, Range 5 East, Salt Lake Base & Meridian, located in Rich County, Utah, more particularly described as follows:

Beginning at a point located N85°01'49"W along the Section line 670.49 feet and North 713.31 feet from the South 1/4 Corner of Section 20, T14N, R5E, SLB&M; thence West 40.00 feet; thence North 100.00 feet; thence East 40.00 feet; thence South 100.00 feet to the point of beginning.

Contains: 4,000 s.f.

**Annexation Area**

A portion of property located in portions of Section 32, Section 29, the Southwest 1/4 of Section 20 and the Southeast 1/4 of Section 30, Township 14 North, Range 5 East, Rich County, Utah, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the Southeast corner of HAWK ROCK SUBDIVISION, according to the Official Plat thereof on file in the Office of the Rich County Recorder, said point being located N88°57'04"W 1357.29 feet and S0°57'40"E 283.73 feet from the Southeast Corner of Section 29, T14N, R5E, SLB&M (Basis of Bearing: N0°41'52"E 2679.77 feet between the Southeast Corner and the East 1/4 Corner of Section 29, T14N, R5E, SLB&M); thence S0°32'03"E

214.08 feet; thence S0°13'36"W 239.45 feet; thence S1°19'53"E 856.24 feet; thence S0°00'38"E 2003.10 feet to a line on the northeasterly line of the Sweetwater Park Subdivision No. 2 according to the Official Plats thereof on file in the office of the Rich County Recorder; thence along said Nos. 2, 4 and 1 Subdivisions the following 17 (seventeen) courses: (1) N41°00'33"W 352.37 feet; (2) N10°09'05"E 120.08 feet; (3) thence along the arc of 585.00 foot radius curve to the left 969.97 feet through a central

angle of 95°00'01" (chord: N2°30'08"W 862.62 feet); (4) thence N50°00'07"W 150.00 feet; (5) thence S39°59'53"W 354.51 feet; (6) thence along the arc of 275 foot radius curve to the left 136.52 feet through a central angle of 28°26'37" (chord: S82°43'13"W 135.12 feet); (7) thence S21°30'07"E 60.00 feet; (8) thence along the arc of a 215.00 foot radius curve to the right 103.58 feet through a central angle of 27°36'12" (chord: N82°17'59"E 102.58 feet); (9) S44°59'53"W 695.42 feet; (10) S31°14'12"W 502.49 feet; (11) thence along the arc of a 500.00 foot radius curve to the left 1145.17 feet through a central angle of 131°13'36" (chord: S63°30'58"W 910.78 feet); (12) thence S20°15'57"W 71.63 feet; (13) thence along the arc of a 500 radius curve to the left 982.34 feet through a central angle of 112°34'04" (chord: S62°51'25"W 831.80 feet); (14) thence along the arc of a 535.11 foot radius curve to the left 1318.16 feet through a central angle of 141°08'21" (chord: S58°37'57"W 1009.27 feet); (15) thence S12°00'07" 531.42 feet; (16) thence S53°48'54"W 129.91 feet; (17) thence N38°17'39"W 268.84 feet to the Southwest Corner of Section 32, T14N, R5E, SLB&M; thence along the west line of said Section the following 2 (two) courses; (1) thence N0°09'09"E 2916.63 feet to the West 1/4 Corner of said Section; (2) thence N0°14'09"E 2644.75 feet to the Northeast corner of said Section and the Southwest Corner of Section 29, T14N, R5E, SLB&M; thence N0°14'37"E along the west line of said Section 2645.07 feet to the West 1/4 corner of said Section and the East 1/4 Corner of Section 30, T14N, R5E, SLB&M; thence N85°26'56"W along the south line of the SE1/4 of the NE1/4 of said Section 1582.20 feet to the southeast corner of EAGLE FEATHER AT SHUNDAHAI SUBDIVISION, according to the official plat thereof on file in the Office of the Rich County Recorder; thence along said subdivision the following 8 (eight) courses: (1) N13°07'26"E 90.42 feet; (2) thence N13°16'25"E 257.06 feet; (3) thence along the arc of a 360.00 foot radius curve to the right 219.45 feet through a central angle of 34°55'37" (chord: N30°35'56"E 216.07 feet) to a point of compound curvature; (4) thence along the arc of a 705.00 radius curve to the right 693.32 feet through a central angle of 56°20'49" (chord: N63°56'13"E 665.72 feet); (5) thence N44°15'49"E 303.96 feet; (6) thence N17°10'29"E 62.94 feet; (7) thence along the arc of 15.00 foot radius curve to the left 12.10 feet through a central angle of 46°11'58" (chord: N66°28'33"E 11.77 feet); (8) thence N43°21'48"E 160.93 feet to the north line of the SE1/4 of the NE1/4 of said Section; thence S87°47'14"E along said north line 469.61 feet to the northeast corner of the SE1/4 of the NE1/4 of said Section; thence N1°22'08"E along the east line of said Section 1320.00 feet to the common Corner of Section 19, 20, 29 and 30, T14N, R5E, SLB&M; thence N0°12'39"W along the west line of Section 20 1317.77 feet to the northwest corner of the SW1/4 of the SW1/4 of said Section; thence S86°43'04"W along the north line of the south half of the SW1/4 of said Section 2547.58 feet to the east right-of-way line of State Highway 89, according to the Utah Department of Transportation Project No. SP089(548)496; thence more or less along said east right-of-way line the following 4 (four) courses: (1) thence along the arc of a 3055.88 foot radius curve to the right 156.37 feet through a central angle of 2°55'55" (chord: S15°07'54"W 156.35 feet); (2) thence S73°25'52"E 8.66 feet; thence along the arc of a 4863.88 foot radius curve to the right through a central angle of 9°03'56" (chord: S20°58'45"W 768.77 feet); (4) thence along the arc of a 1940.00 foot radius curve to the right 865.46 feet through a central angle of 25°33'37" (chord: S40°29'09"W 858.30 feet); thence South 1209.13 feet to the north line of the S1/2 of the NE1/4 of Section 29; thence S89°31'24"E along said north line 2302.10 feet to the northwest corner of SE1/4 of the NE1/4 of said Section; thence S0°08'32"W 1329.74 feet to the west line of a property conveyed to the Town of Garden City, a municipal Corporation for the purposes of a public road, street or highway; thence along said property the following 2 (two) courses: (1) thence along the arc of a 573.00 foot radius curve to the left 448.16 feet through a central angle of 44°48'44" (chord: S22°44'30"W 436.82 feet); (2) thence S0°20'09"W 1532.68 feet to the northeast corner of HAWK ROCK SUBDIVISION, according to the Official Plat thereof

on file in the Office of the Rich County Recorder; thence along said plat the following 15 (fifteen) courses:

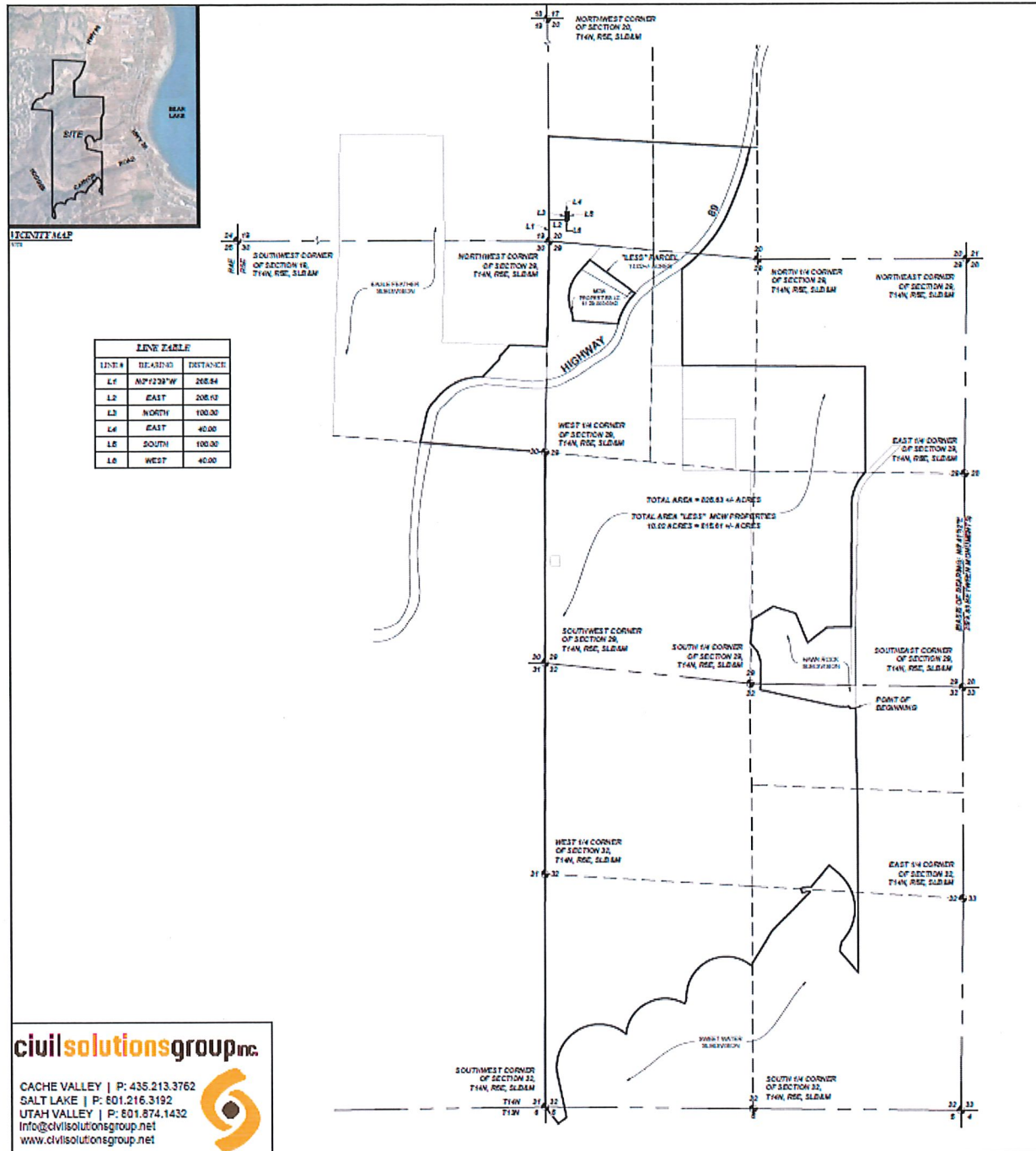
(1) thence S89°02'20"W 311.68 feet; (2) thence S51°38'42"W 305.76 feet; (3) thence N22°39'02"W 399.37 feet; (4) thence N72°49'08"W 297.33 feet; (5) thence S57°58'47"W 301.71 feet; (6) thence S6°13'08"W 301.00 feet; (7) thence S38°37'19"E 142.19 feet; (8) thence S17°30'19"E 132.40 feet; (9) thence S1°05'08"W 353.31 feet; (10) thence S80°57'32"E 53.03 feet; (11) thence S77°42'15"E 896.16 feet; (12) thence S84°12'16"E 67.30 feet; (13) N89°17'42"E 67.30 feet; (14) thence along the arc of a 20.00 foot radius curve to the right 31.42 feet (chord: S45°42'08"E 28.29 feet); (15) thence N89°17'42"E 68.27 feet to the point of beginning.

Contains: 825.63 +/- Acres

Less and accepting 10.02 acres conveyed to MCW Properties, LC associated with Rich County Parcel: 41-28-0000042 as shown in Record of Survey # performed by JSH Surveying and Drafting, Inc.

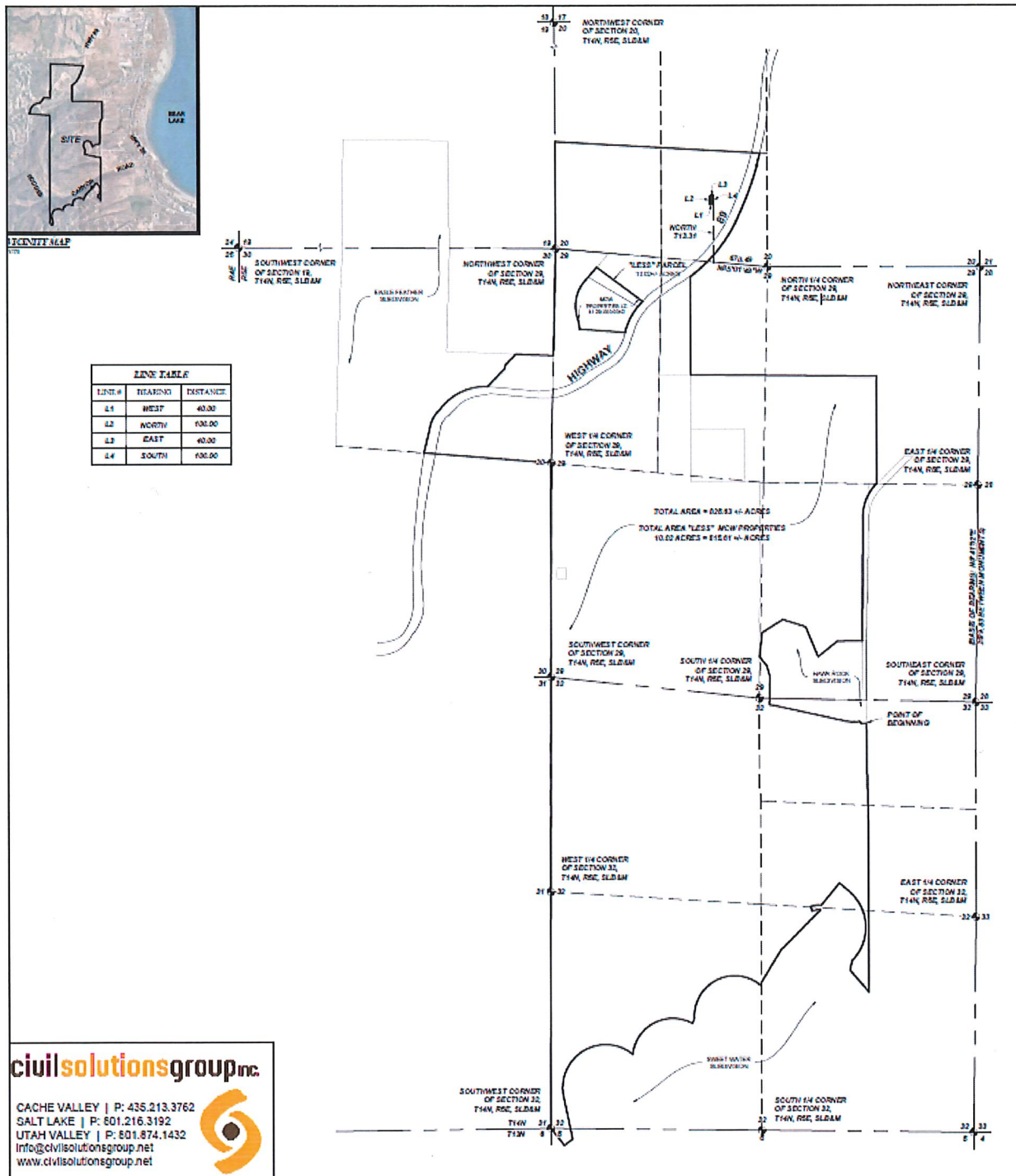
Contains: 815.61 +/- Acres

## Annexation Area and District No. 1





## Annexation Area and District No. 2



RESOLUTION 2024-\_\_

A RESOLUTION OF THE CITY COUNCIL (THE "COUNCIL") OF THE TOWN OF GARDEN CITY, UTAH (THE "TOWN"), PROVIDING FOR THE CREATION OF THE SHUNDAHAI PUBLIC INFRASTRUCTURE DISTRICT NOS. 1 AND 2 (TOGETHER, THE "DISTRICTS") AS INDEPENDENT DISTRICTS; AUTHORIZING AND APPROVING A GOVERNING DOCUMENT, NOTICES OF BOUNDARY ACTION; APPROVING AN ANNEXATION AREA; AUTHORIZING THE DISTRICTS TO PROVIDE SERVICES RELATING TO FINANCING AND CONSTRUCTION OF PUBLIC INFRASTRUCTURE; APPOINTING BOARDS OF TRUSTEES; AUTHORIZING OTHER DOCUMENTS IN CONNECTION THEREWITH; AND RELATED MATTERS.

WHEREAS, a petition (the "Petition") was filed with the Town requesting adoption by resolution of the approval of the creation of a Public Infrastructure District pursuant to the Public Infrastructure District Act, Title 17D, Chapter 4, Utah Code Annotated 1953, as amended (the "PID Act") and relevant portions of the Limited Purpose Local Government Entities - Special Districts, Title 17B (together with the PID Act, the "Act") within the Town, and the annexation or withdrawal of any portion of the boundaries of the Districts therefrom without further approval or hearings of the Town or the Council, as further described in the Governing Document (as hereinafter defined) for the purpose of financing public infrastructure costs; and

WHEREAS, pursuant to the terms of the Act, the Town may create one or more public infrastructure districts by adoption of a resolution of the Council and with consent of 100% of all surface property owners proposed to be included in a district (the "Property Owners"); and

WHEREAS, the Petition, containing the consent of such Property Owners, has been certified by the Recorder of the Town pursuant to the Act and it is in the best interests of the Property Owners that the creation of the Districts be authorized in the manner and for the purposes hereinafter set forth; and

WHEREAS, the Town, prior to consideration of this Resolution, held public hearings after 6:00 p.m. to receive input from the public regarding the creation of the Districts, and the Property Owners have waived the 60-day protest period pursuant to Section 17D-4-201 of the PID Act; and

WHEREAS, the hearing on the Petition was held at the City Council Chambers because there is no reasonable place to hold a public hearing within the Districts' boundaries, and the hearing at the City Council Chambers was held as close to the applicable area as reasonably possible; and

WHEREAS, the Town properly published notice of the public hearing in compliance with Section 17B-1-211(1) of the Act; and

WHEREAS, none of the Property Owners submitted a withdrawal of consent to the creation of the Districts before the public hearing on the Petition; and

WHEREAS, according to attestations filed with the Town, each board member appointed under this Resolution is registered to vote at their primary residence and is further eligible to serve as a board member of the Districts under Section 17D-4-202(c) of the PID Act because they are agents of property owners within the Districts' boundaries (as further set forth in the Petition); and

WHEREAS, it is necessary to authorize the creation of the Districts under and in compliance with the laws of the State of Utah and to authorize other actions in connection therewith; and

WHEREAS, the governance of the Districts shall be in accordance with the PID Act and the terms of a governing document (the "Governing Document") attached hereto as Exhibit B; and

WHEREAS, pursuant to the requirements of the Act, there shall be signed, authenticated, and submitted to the Office of the Lieutenant Governor of the State of Utah for the Districts a Notice of Boundary Action attached hereto as Exhibit C (the "Boundary Notice") and Final Entity Plat attached to the Boundary Notice as Appendix B (or as shall be finalized in accordance with the boundaries approved hereunder) (the "Plat").

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL, AS FOLLOWS:

1. Terms defined in the foregoing recitals shall have the same meaning when used herein. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Council and by officers of the Council directed toward the creation and establishment of the Districts, are hereby ratified, approved and confirmed.

2. The Districts are hereby created as a separate entity from the Town in accordance with the Governing Document and the Act. The boundaries of the Districts shall be as set forth in the Governing Document and the Plat.

3. Pursuant to the terms of the PID Act, the Council does hereby approve the annexation or withdrawal of any area within the Annexation Area (as defined in the Governing Document) into or from either District without any further action, hearings, or resolutions of the Council or the Town, upon compliance with the terms of the PID Act and the Governing Document.

4. The Council does hereby authorize the Districts to provide services relating to the financing and construction of public infrastructure within and without the Annexation Area upon annexation thereof into a District without further request of such District to the Town to provide such services under 17B-1-407, Utah Code Annotated 1953, as amended, or resolutions of the Town under 17B-1-408, Utah Code Annotated 1953, as amended.

5. It is hereby found and determined by the Council that the creation of the Districts is appropriate to the general welfare, order and security of the Town, and the organization of the Districts pursuant to the PID Act is hereby approved.

6. The Governing Document in the form presented to this meeting and attached hereto as Exhibit B is hereby authorized and approved and the Districts shall be governed by the terms thereof and applicable law.

7. The Trustees of the Board of each District are hereby appointed as follows:

(a) Trustee 1 – Larry Myler, for an initial 6-year term;

(b) Trustee 2 – James Horsley, for an initial 6-year term

(c) Trustee 3 – Trey Orsak, for an initial 4-year term;

Such terms shall commence on the date of issuance of a Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah.

8. The Council does hereby authorize the Mayor or a Council Member to execute the Boundary Notice in substantially the form attached as Exhibit C, the Plat, and such other documents as shall be required to accomplish the actions contemplated herein on behalf of the Council for submission to the Office of the Lieutenant Governor of the State of Utah.

9. Prior to recordation of a certificate of creation for the Districts, the Council does hereby authorize the Mayor, a Council Member, the Town Attorney, or the Town Manager to make any corrections, deletions, or additions to the Governing Document and the Boundary Notice or any other document herein authorized and approved (including, but not limited to, corrections to the property descriptions therein contained) which may be necessary to conform the same to the intent hereof, 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.

10. The Board of Trustees of the Districts (the “District Board”) is hereby authorized and directed to record such Governing Document with the recorder of Rich County, Utah within thirty (30) days of the issuance of the Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah.

11. 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 such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

12. All acts, orders and resolutions, and parts thereof in conflict with this Resolution be, and the same are, hereby rescinded.

13. This resolution shall take effect immediately.

PASSED AND ADOPTED by the City Council of the Town of Garden City, Utah,  
this November 14, 2024.

TOWN OF GARDEN CITY

By: \_\_\_\_\_

Mike Leonhardt, Mayor

ATTEST:

By: \_\_\_\_\_



STATE OF UTAH )

: ss.

TOWN OF GARDEN CITY )

I, Cathie Rasmussen, the undersigned duly qualified and acting Town Clerk of the Town of Garden City, Utah (the "Town"), do hereby certify as follows:

The foregoing pages are a true, correct, and complete copy of the record of proceedings of the City Council of the Town (the "Council"), had and taken at a lawful meeting of the Council on November 14, 2024, commencing at the hour of 7:00 p.m., as recorded in the regular official book of the proceedings of the Council kept in my office, and said proceedings were duly had and taken as therein shown, and the meeting therein shown was duly held, and the persons therein were present at said meeting as therein shown.

All members of the Council were duly notified of said meeting, pursuant to law.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Town this November 14, 2024.

By: \_\_\_\_\_  
Town Clerk

EXHIBIT A  
CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Cathie Rasmussen, the undersigned Town Clerk of the Town of Garden City, Utah (the "Town"), do hereby certify that I gave written public notice of the agenda, date, time and place of the meeting held by the City Council of the Town (the "Council") on November 14, 2024, not less than 24 hours in advance of the meeting. The public notice was given in compliance with the requirements of the Utah Open and Public Meetings Act, Section 52-4-202, Utah Code Annotated 1953, as amended, by:

(a) causing a Notice, in the form attached hereto as Schedule 1, to be posted at the Town's principal offices 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) 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; and

(c) causing a copy of such notice, in the form attached hereto as Schedule 1, to be posted on the Town's official website at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2024 Annual Meeting Schedule for the Council (attached hereto as Schedule 2) was given specifying the date, time and place of the regular meetings of the Council to be held during the year, by causing said Notice to be posted at least annually (a) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, (b) on the Town's official website and (c) in a public location within the Town that is reasonably likely to be seen by residents of the Town.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature  
this November 14, 2024.

By: \_\_\_\_\_  
Town Clerk

SCHEDULE 1

NOTICE OF MEETING AND AGENDA

SCHEDULE 2

NOTICE OF ANNUAL MEETING SCHEDULE

EXHIBIT B

GOVERNING DOCUMENT



EXHIBIT C

NOTICES OF IMPENDING BOUNDARY ACTION

**NOTICE OF IMPENDING BOUNDARY ACTION  
(Shundahai Public Infrastructure District No. 1)**

**TO: The Lieutenant Governor, State of Utah**

**NOTICE IS HEREBY GIVEN** that the City Council of the Town of Garden City, Utah (the “Council”), acting in its capacity as the creating entity for Shundahai Public Infrastructure District No. 1 (the “District”), at a regular meeting of the Council, duly convened pursuant to notice, on November 14, 2024, adopted a Resolution Providing for the Creation of Public Infrastructure Districts, a true and correct copy of which is attached as EXHIBIT “A” hereto and incorporated by this reference herein (the “Creation Resolution”).

A copy of the Final Local Entity Plat satisfying the applicable legal requirements as set forth in Utah Code Ann. §17-23-20, approved as a final local entity plat by the Surveyor of Rich County, Utah, is attached as EXHIBIT “B” hereto and incorporated by this reference. The Council hereby certifies that all requirements applicable to the creation of the District, as more particularly described in the Creation Resolution, have been met. The District is not anticipated to result in the employment of personnel.

**WHEREFORE**, the Council hereby respectfully requests the issuance of a Certificate of Incorporation pursuant to and in conformance with the provisions of Utah Code Ann. §17B-1-215.

**DATED** this November 14, 2024.

**CITY COUNCIL OF THE TOWN OF  
GARDEN CITY, UTAH, acting in its  
capacity as the creating authority for  
Shundahai Public Infrastructure District No.  
1**

By: \_\_\_\_\_  
AUTHORIZED REPRESENTATIVE

**VERIFICATION**

STATE OF UTAH     )  
                              :ss.  
COUNTY OF RICH )

SUBSCRIBED AND SWORN to before me this November 14, 2024.

\_\_\_\_\_

NOTARY PUBLIC

**NOTICE OF IMPENDING BOUNDARY ACTION  
(Shundahai Public Infrastructure District No. 2)**

**TO: The Lieutenant Governor, State of Utah**

**NOTICE IS HEREBY GIVEN** that the City Council of the Town of Garden City, Utah (the “Council”), acting in its capacity as the creating entity for Shundahai Public Infrastructure District No. 2 (the “District”), at a regular meeting of the Council, duly convened pursuant to notice, on November 14, 2024, adopted a Resolution Providing for the Creation of Public Infrastructure Districts, a true and correct copy of which is attached as EXHIBIT “A” hereto and incorporated by this reference herein (the “Creation Resolution”).

A copy of the Final Local Entity Plat satisfying the applicable legal requirements as set forth in Utah Code Ann. §17-23-20, approved as a final local entity plat by the Surveyor of Rich County, Utah, is attached as EXHIBIT “B” hereto and incorporated by this reference. The Council hereby certifies that all requirements applicable to the creation of the District, as more particularly described in the Creation Resolution, have been met. The District is not anticipated to result in the employment of personnel.

**WHEREFORE**, the Council hereby respectfully requests the issuance of a Certificate of Incorporation pursuant to and in conformance with the provisions of Utah Code Ann. §17B-1-215.

**DATED** this November 14, 2024.

**CITY COUNCIL OF THE TOWN OF  
GARDEN CITY, UTAH, acting in its  
capacity as the creating authority for  
Shundahai Public Infrastructure District No.  
2**

By: \_\_\_\_\_  
AUTHORIZED REPRESENTATIVE

**VERIFICATION**

STATE OF UTAH     )  
                              :ss.  
COUNTY OF RICH )

SUBSCRIBED AND SWORN to before me this November 14, 2024.

\_\_\_\_\_

## NOTARY PUBLIC

**EXHIBIT “A” TO NOTICE OF IMPENDING BOUNDARY ACTION**

**Copy of the Creation Resolution**

**EXHIBIT "B" TO NOTICE OF IMPENDING BOUNDARY ACTION**

**Copy of the Final Local Entity Plat**



**GOVERNING DOCUMENT**  
**FOR**  
**SHUNDAHAI PUBLIC INFRASTRUCTURE DISTRICT NOS. 1 AND 2**  
**TOWN OF GARDEN CITY, UTAH**

Prepared by

Gilmore & Bell, P.C.  
Salt Lake City, Utah

\_\_\_\_\_, 2024

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## I. INTRODUCTION

### A. Purpose and Intent.

The Districts are independent units of local government, separate and distinct from the Town, and, except as may otherwise be provided for by State or local law or this Governing Document, their activities are subject to review by the Town only insofar as they may deviate in a material matter from the requirements of the Governing Document. It is intended that the Districts will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the Districts. The primary purpose of the Districts will be to finance the construction of these Public Improvements. The Districts are not being created to provide any ongoing operations and maintenance services.

### B. Need for the Districts.

There are currently no other governmental entities, including the Town, located in the immediate vicinity of the Districts that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the Districts are therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

### C. Objective of the Town Regarding Districts' Governing Document.

The Town's objective in approving the Governing Document for the Districts is to authorize the Districts to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements from the proceeds of Debt to be issued by one or more of the Districts (or interlocal entity formed by the Districts). All Debt is expected to be repaid by taxes imposed and collected for no longer than the Maximum Debt Mill Levy Imposition Term for residential properties and at a tax mill levy no higher than the Maximum Debt Mill Levy and/or repaid by Assessments. Debt which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Governing Document is intended to establish a limited purpose for the Districts and explicit financial constraints that are not to be violated under any circumstances. The primary purpose for creating the Districts is to provide for the Public Improvements associated with development and regional needs.

It is the intent that the Districts dissolve upon payment or defeasance of all Debt incurred or upon a determination that adequate provision has been made for the payment of all Debt.

The Districts shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from Assessments or from tax revenues collected from a mill levy which shall not exceed the Maximum Debt Mill Levy on taxable properties and which shall not exceed the Maximum Debt Mill Levy Imposition Term on taxable properties. The Districts are also

permitted to utilize Tax Increment Revenues (if any) and Assessments for the repayment of Debt. It is the intent of this Governing Document to assure to the extent possible that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy in amount and that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy Imposition Term in duration even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters are not costs to be paid by the Districts.

## **II. DEFINITIONS**

In this Governing Document, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Annexation Area Boundaries: means the boundaries of the area described in the Annexation Area Boundary Map which have been approved by the Town for annexation into or withdrawal from one or more of the District upon the meeting of certain requirements.

Annexation Area Boundary Map: means the map attached hereto as **Exhibit B**, describing the property proposed for annexation into or withdrawal from one or more of the Districts.

Approved Development Plan: means a development agreement or other process established by the Town for identifying, among other things, Public Improvements necessary for facilitating development for property within the District Area and establishing requirements related to the funding and timing of the Pre-Requisite Improvements, as approved by the Town pursuant to the Town Code and as amended pursuant to the Town Code from time to time. [For purposes of this Governing Document, the Development Agreement dated \_\_\_\_\_, 20\_\_ between the Town and Vantage Development Corp, shall constitute an Approved Development Plan].

Assessment: means assessments levied in an assessment area created within the Districts or a District.

Assessment Act: means Title 11, Chapter 42 of the Utah Code, as amended from time to time and any successor statute thereto.

Board: means the board of trustees of one District or the boards of trustees of all Districts, in the aggregate.

Bond, Bonds or Debt: means bonds or other obligations, including loans of any property owner, for the payment of which any District has promised to impose an *ad valorem* property tax mill levy, and/or collect Assessments.

Bond Act: means Title 11, Chapter 14 of the Utah Code, as amended from time to time and any successor statute thereto.

C-PACE Act: means Title 11, Chapter 42a of the Utah Code, as amended from time to time and any successor statute thereto.

C-PACE Bonds: means bonds, loans, notes, or other structures and obligations of the District issued pursuant to the C-PACE Act, including refunding C-PACE Bonds.

C-PACE Assessments: means assessments levied under the C-PACE Act.

District: means any one of the Districts.

District Act: means collectively, the Local District Act and the PID Act.

District No. 1: means the Shundahai Public Infrastructure District No. 1.

District No. 2: means the Shundahai Public Infrastructure District No. 2.

Districts: means District No. 1 and District No. 2.

District Area: means the property within the Initial District Boundary Map and the Annexation Area Boundary Map.

End User: means any owner, or tenant of any owner, of any taxable improvement within the Districts, who is intended to become burdened by the imposition of ad valorem property taxes subject to the Maximum Debt Mill Levy. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an End User. The business entity that constructs homes or commercial structures is not an End User.

Fees: means any fee imposed by any District for administrative services provided by such District.

Financial Plan: means the Financial Plan described in Section VIII which describes (i) the potential means whereby the Public Improvements may be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

General Obligation Debt: means a Debt that is directly payable from and secured by ad valorem property taxes that are levied by a District and does not include Limited Tax Debt.

Governing Document: means this Governing Document for the Districts approved by the Town Council.

Governing Document Amendment: means an amendment to the Governing Document approved by the Town Council in accordance with the Town's ordinance and the applicable state law and approved by the Boards in accordance with applicable state law.

Initial District Boundaries: means the boundaries of the area described in the Initial District Boundary Map.

Initial District Boundary Map: means the map attached hereto as **Exhibit B**, describing the initial boundaries of the Districts.

Limited Tax Debt: means a debt that is directly payable from and secured by ad valorem property taxes that are levied by a District which may not exceed the Maximum Debt Mill Levy.

Local District Act: means Title 17B of the Utah Code, as amended from time to time and any successor statute thereto.

Maximum Debt Mill Levy: means the maximum mill levy any of the Districts is permitted to impose for payment of Debt as set forth in Section VIII.C below.

Maximum Debt Mill Levy Imposition Term: means the maximum term for imposition of a mill levy for any given series of bonds as set forth in Section VIII.D below.

Municipal Advisor: means a consultant that: (i) advises Utah governmental entities on matters relating to the issuance of securities by Utah governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be an underwriter, investment banker, or individual recognized as a municipal advisor by the MSRB and the SEC; and (iii) is not an officer or employee of the District and has not been otherwise engaged to provide services in connection with the transaction related to the applicable Debt.

Project: means the development or property commonly referred to as the Shundahai Development.

PID Act: means Title 17D, Chapter 4 of the Utah Code, as amended from time to time and any successor statute thereto.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as generally described in the District Act, the Assessment Act, and the Bond Act, except as specifically limited in Section V below to serve the future taxpayers and inhabitants of the District Area as determined by the Board.

Regional Improvements: means Public Improvements and facilities that benefit the District Area and which are to be financed pursuant to Section VII below.

State: means the State of Utah.

Taxable Property: means real or personal property within the District Area subject to ad valorem taxes imposed by the Districts.

Tax Increment Revenue: means tax increment revenues generated and available for use under the applicable provisions of the Limited Purpose Local Government Entities -



Community Reinvestment Agency Act, Title 17C, of the Utah Code as amended from time to time and any successor statute thereto.

Town: means the Town of Garden City, Utah

Town Code: means the Town Code the Town.

Town Council: means the Town Council of the Town.

Trustee: means a member of the Board.

Utah Code: means the Utah Code Annotated 1953, as amended.

### **III. BOUNDARIES**

The area of the Initial District Boundaries includes approximately 0.18 acres, comprised of approximately 0.09 acres for District No. 1 and 0.09 acres for District No. 2. The Annexation Area Boundaries include approximately 815.61 acres, including the entirety of the Initial District Boundaries. A legal description of the Initial District Boundaries and the Annexation Area Boundaries is attached hereto as **Exhibit A**. A map of the Initial District Boundaries and Annexation Area Boundaries is attached hereto as **Exhibit B**. It is anticipated that the District's boundaries may change from time to time as it undergoes annexations and withdrawals pursuant to Section 17B-4-201, Utah Code, subject to Article V below.

### **IV. ASSESSED VALUATION**

The District Area consists of undeveloped land. The current market valuation by the Rich County Assessor as of 2024 of the District Area is \$\_\_\_\_\_ for purposes of this Governing Document and, at build out, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan.

Approval of this Governing Document by the Town does not imply approval of the development of a specific area within the Districts, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Governing Document or any of the exhibits attached thereto, unless the same is contained within an Approved Development Plan.

### **V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES**

#### **A. Powers of the Districts and Governing Document Amendment.**

The Districts shall have the power and authority to provide the Public Improvements within and without the boundaries of the Districts as such power and authority is described in the District Act, and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein.

Public Improvements. The purpose of the Districts is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. The Districts shall dedicate the

Public Improvements to the Town or other appropriate public entity or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the Town and applicable provisions of the Town Code. The Districts shall be authorized, but not obligated, to own, operate and maintain Public Improvements not otherwise required to be dedicated to the Town or other public entity.

Reserved.

Construction Standards Limitation. The Districts will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the Town and of other governmental entities having proper jurisdiction. The Districts will obtain all necessary approvals prior to construction and installation of Public Improvements.

1. Procurement. The Districts shall be subject to the Utah Procurement Code, Title 63G, Chapter 6a. Notwithstanding this requirement, the Districts may acquire completed or partially completed improvements for fair market value as reasonably determined by any one of a surveyor or engineer that such District employs or engages to perform the necessary engineering services for and to supervise the construction or installation of the Public Improvements.

Privately Placed Debt Limitation. Prior to the issuance of any privately placed Debt, a District shall obtain the certification of a Municipal Advisor substantially as follows:

We are [I am] a Municipal Advisor within the meaning of the District's Governing Document.

We [I] certify that (1) the net effective interest rate to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

2. Annexation and Withdrawal.

(a) The Districts shall not include within any of their boundaries any property outside the District Area without the prior written consent of the Town. The Town, by approval of this Governing Document, has consented to the annexation of any area within the Annexation Area Boundaries into any of the Districts. Such area may only be annexed upon the District obtaining consents as may be required by the PID Act and the passage of a resolution of the District's Board approving such annexation.

(b) The Town, by approval of this Governing Document, has consented to the withdrawal of any area within the District Boundaries from one or more of the Districts. Such area may only be withdrawn upon the District obtaining consents as may be required by the PID Act and the passage of a resolution of the District's Board approving such withdrawal.

(c) Any annexation or withdrawal shall be in accordance with the applicable requirements of the District Act.

(d) Upon any annexation or withdrawal, such District shall provide the Town a description of the revised District Boundaries.

(e) Annexation or withdrawal of any area in accordance with V.A.6(a) and (b) shall not constitute an amendment of this Governing Document.

Overlap Limitation. The boundaries of the Districts shall not overlap unless the aggregate mill levy for payment of Debt of the overlapping Districts will not at any time exceed the Maximum Debt Mill Levy of the Districts.

Initial Debt Limitation. On or before the effective date of approval by the Town of an Approved Development Plan, the Districts shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any Assessments used for the purpose of repayment of Debt. Nothing herein shall be construed as to obligate the Town Council to approve an Approved Development Plan. In addition, in the event that approval of an Approved Development Plan lapses or expires in accordance with the Town Code, approval for purposes of the Governing Document will also be deemed to lapse or expire, provided that such lapse or expiration shall not affect any previously issued Debt or any mill levy or Assessments relating to previously issued Debt.

Total Debt Issuance Limitation. The Districts shall not issue Limited Tax Debt in excess of an aggregate amount of One Hundred Twenty-Five Million Dollars (\$125,000,000). This amount excludes any portion of Bonds issued to refund a prior issuance of debt by the Districts. The Total Debt Issuance Limitation does not apply to the Districts' pledge of its property tax revenues to the Debt of one of the other Districts. In addition, any Debt secured by Assessments or C-PACE Bonds do not count against the foregoing limitation and there is no limit to the amount of Debt secured by Assessments or C-PACE Bonds the District may issue so long as such issuances are in accordance with the provisions of the Assessment Act and C-PACE Act, respectively.

Bankruptcy Limitation. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, Maximum Debt Mill Levy Imposition Term and the Fees have been established under the authority of the Town to approve a Governing Document with conditions pursuant to Section 17D-4-201(5), Utah Code. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and

(b) Are, together with all other requirements of Utah law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary

under applicable non-bankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Governing Document and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the Town as part of a Governing Document Amendment.

### 3. Governing Document Amendment Requirement.

(a) This Governing Document has been designed with sufficient flexibility to enable the Districts to provide required facilities under evolving circumstances without the need for numerous amendments. Actions of the Districts which violate the limitations set forth in V.A.1-10 above or in VIII.B-G. shall be deemed to be material modifications to this Governing Document and the Town shall be entitled to all remedies available under State and local law to enjoin such actions of the Districts.

(b) Subject to the limitations and exceptions contained herein, this Governing Document may be amended by passage of a resolutions of the Town and the Districts approving such amendment.

### B. Preliminary Engineering Survey.

The Districts shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of the Districts, to be more specifically defined in an Approved Development Plan. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the District Area and is approximately One Hundred and Two Million Dollars (\$102,000,000).

All of the Public Improvements will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the Town and/or any other applicable public entity and shall be in accordance with the requirements of the Approved Development Plan. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

### C. Multiple District Structure.

It is anticipated that the Districts, collectively, will undertake the financing and construction of the Public Improvements. The nature of the functions to be performed by each District may be clarified in one or more interlocal agreements between and among the Districts.

## **VI. THE BOARD OF TRUSTEES**

Board Composition. Each Board shall be composed of 3 Trustees who shall be appointed by the Town Council pursuant to the PID Act. The initial Board of each District shall be appointed by the Town Council by resolution concurrent with the approval of this Governing Document. All Trustees shall hold at large seats. Trustee terms for each District shall be staggered with initial terms as follows: Trustee 3 shall serve an initial term of 4 years; Trustees 1 and 2 shall serve an initial term of 6 years. All terms shall commence on the date of issuance of a certificate of incorporation by the Office of the Lieutenant Governor of the State of Utah. In accordance with the PID Act, appointed Trustees shall not be required to be residents of such District.

### Transition to Elected Board.

(a) For a District anticipated to include residential uses, at the time of annexation of property into a District, such District shall estimate the total number of residential units within the District at full buildout of the property within the District (the "Anticipated Units"). Upon any annexation or withdrawal in accordance with this Governing Document, any affected District may adjust its Anticipated Units to reflect such boundary change. The respective board seats for the District Boards with residential property shall transition from appointed to elected seats according to the following milestones:

Trustee 1. Trustee 1 shall transition to an elected seat after the end of a full term during which 50% of the Anticipated Units have received certificates of occupancy.

Trustee 2. Trustee 2 shall transition to an elected seat after the end of a full term during which 75% of the Anticipated Units have received certificates of occupancy.

Trustee 3. Trustee 3 shall transition to an elected seat after the end of a full term during which 90% of the Anticipated Units have received certificates of occupancy.

(b) For any District which is not anticipated to include any residential property, the Board shall continue to be appointed by the Town Council and comprised of owners of land or agents and officers of an owner of land within the boundaries of the District. Any property owner owning at least one-third of the taxable value of the property within such District shall be entitled to nominate one trustee seat for each one-third value (provided that the Town retains discretion to reject any nominee and request a new nominee from such property owner).

B. Transition Timeline. No transition pursuant to this Section shall become effective until the next scheduled regular election of the District after the expiration of such Board members then current term (provided that any seat transitioning on January 1 of a year shall be elected at the regular election preceding such date).

Reelection and Reappointment. Upon the expiration of a Trustee's respective term, any seat which has not transitioned to an elected seat shall be appointed by the Town Council pursuant to the PID Act and any seat which has transitioned to an elected seat shall be elected pursuant to an election held for such purpose. In the event that no qualified candidate files to be

considered for appointment or files a declaration of candidacy for a seat, such seat may be filled in accordance with the Local District Act.

Vacancy. Any vacancy on the Board shall be filled pursuant to the Local District Act.

Compensation. Unless otherwise permitted by the PID Act, only Trustees who are residents of the District may be compensated for services as Trustee. Such compensation shall be in accordance with State Law.

Conflicts of Interest. Trustees shall disclose all conflicts of interest. Any Trustee who discloses such conflicts in accordance with 17D-4-202 and 67-16-9, Utah Code, shall be entitled to vote on such matters.

## **VII. REGIONAL IMPROVEMENTS**

The Districts shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements.

## **VIII. FINANCIAL PLAN**

### **A. General.**

The Districts shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from their revenues and by and through the proceeds of Debt to be issued by the Districts. The Financial Plan for the Districts shall be to issue such Debt as the Districts can reasonably pay within the Maximum Debt Mill Levy Imposition Term from revenues derived from the Maximum Debt Mill Levy, Assessments, Tax Increment Revenues, and other legally available revenues. All bonds and other Debt issued by the Districts may be payable from any and all legally available revenues of the Districts, including general ad valorem taxes to be imposed upon all Taxable Property within the Districts, Tax Increment Revenues, and Assessments. The Districts will also rely upon various other revenue sources authorized by law. These will include the power to assess Fees, penalties, or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time.

### **B. Maximum Voted Interest Rate and Maximum Underwriting Discount.**

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed eighteen percent (18%). The proposed maximum underwriting discount will be five percent (5%). Debt, when issued, will comply with all relevant requirements of this Governing Document, State law and Federal law as then applicable to the issuance of public securities.

### **Maximum Debt Mill Levy.**

(a) The “Maximum Debt Mill Levy,” which is the maximum mill levy a District is permitted to impose upon the taxable property within such District for payment of Limited Tax Debt and administrative expenses shall be 0.0065 per dollar of taxable value of taxable property in the District; provided that such levy shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code. Further, the Districts may not impose mill levies which aggregate in excess of each Districts’ respective Maximum Debt Mill Levy; provided that such levies shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code.

(b) Such Maximum Debt Mill Levy may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202, Utah Code.

C. Maximum Debt Mill Levy Imposition Term.

Each Bond issued by the Districts shall mature within thirty-one (31) years from the date of issuance of such Bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding forty (40) years from the year of the first imposition of a mill levy with respect to such Bond (the “Maximum Debt Mill Levy Imposition Term”).

D. Debt Repayment Sources.

(a) The Districts may impose a mill levy on Taxable Property within its boundaries, up to the Maximum Mill Levy, as a primary source of revenue for repayment of debt service. The Districts may also rely upon various other revenue sources authorized by law. At the Districts’ discretion, these may include the levy of ad valorem property taxes, the use of Tax Increment Revenue, the power to assess Assessments, and the power to impose fees, penalties, and charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time. Except as described in Section VIII.C(a), the debt service mill levy in the Districts shall not exceed the Maximum Debt Mill Levy or, the Maximum Debt Mill Levy Imposition Term, except for repayment of General Obligation Debt.

(b) All Assessments (other than Assessments under the C-PACE Act) imposed by any District on a parcel zoned for residential uses shall be payable at or before the time of conveyance of such parcel to an End User. For the avoidance of doubt, (a) any Assessments issued under the C-PACE Act may be repayable in accordance with the provisions of such Act and (b) Assessments on non-owner-occupied residential parcels need not be prepaid unless fee interest in such parcel is conveyed to an End User.

(c) The District shall not be permitted to charge an End User the costs of any portion of a Public Improvement for which such End User has already paid or is presently obligated to pay through any combination of mill levy or Assessment. This provision shall not prohibit the division of costs between mill levies and Assessments, but is intended to prevent double taxation of End Users for the costs of Public Improvements.

E. Debt Instrument Disclosure Requirement.

In the text of each Bond and any other instrument representing and constituting Debt, the Districts shall set forth a statement in substantially the following form:



By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Governing Document for creation of the District.

Similar language describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Governing Document shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the Districts.

F. Security for Debt.

The Districts shall not pledge any revenue or property of the Town as security for the indebtedness set forth in this Governing Document. Approval of this Governing Document shall not be construed as a guarantee by the Town of payment of any of the Districts' obligations; nor shall anything in the Governing Document be construed so as to create any responsibility or liability on the part of the Town in the event of default by the Districts in the payment of any such obligation.

G. Districts' Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the Districts' organization and initial operations, are anticipated to be Seventy-Five Thousand Dollars (\$75,000), which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the Districts will require operating funds for administration and to plan and cause the Public Improvements to be constructed. The first year's operating budget is estimated to be approximately Fifty Thousand Dollars (\$50,000) which is anticipated to be derived from property taxes and other revenues.

**IX. ANNUAL REPORT**

A. General.

Each of the District shall be responsible for submitting an annual report to the Town Manager's Office no later than 210 days following the end of such District's fiscal year, beginning with fiscal year 2023.

B. Reporting of Significant Events.

The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District's boundary as of the last day of the prior fiscal year, if changed.

2. List of current interlocal agreements, if changed (to be delivered to the Creating Entity upon request);
3. Names and terms of Board members and officers and progress towards milestones required for transition to elected Board;
4. District office contact information, if changed;
5. Rules and regulations of the District regarding bidding, conflict of interest, contracting, and other governance matters, if changed;
6. A summary of any litigation which involves the District as of the last day of the prior fiscal year, if any;
7. Status of the District's construction of the Public Improvements as of December 31 of the prior year and listing all facilities and improvements constructed by the District that have been dedicated to and accepted by the Town as of the last day of the prior fiscal year;
8. A table summarizing total debt authorized and total debt issued by the District as well as any presently planned debt issuances;
9. Official statements of current outstanding bonded indebtedness, if not previously provided to the Town;
10. Current year budget; and
11. Financial statements of the District for the most recent completed fiscal year (such statements shall be audited if required by bond documents or statute).

## **X. DISSOLUTION**

Upon repayment or defeasance of the Debt of a District, such District agrees to file petitions for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution of a District occur until such District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations as required pursuant to State statutes.

Within thirty (30) days of finalization of the dissolution of a District, such District shall record a notice with the Rich County Recorder to be recorded on the title of all properties within such District and in a form that is acceptable to the County Recorder that the District has been dissolved, that all Debt of such District has been repaid or defeased, and that such District may no longer impose property taxes or levy assessments for any purpose.

## **XI. DISCLOSURE TO PURCHASERS**

Within thirty (30) days of the Office of the Lieutenant Governor of the State of Utah issuing a certificate of incorporation, each Board shall record a notice with the recorder of Rich County to be recorded on the title of all properties within such District and in a form that is

acceptable to the County Recorder. Such notice shall (a) contain a description of the boundaries of the District, (b) state that a copy of this Governing Document is on file at the office of the Town, (c) state that the District may finance and repay infrastructure and other improvements through the levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filled with the Town.

In addition, the Applicant and the Board shall ensure that the Applicant, homebuilders, commercial developers, and commercial lessors, as applicable, disclose the following information to initial resident homeowners, renters, commercial property owners, and/or commercial tenants:

- (1) All of the information in the first paragraph of this XI;
- (2) A disclosure outlining the impact of any applicable property tax, in substantially the following form:  
  
“Under the maximum property tax rate of the District, **for every \$100,000 of taxable value**, there would be an **additional annual property tax of \$650** for the duration of the District’s Bonds.”
- (3) Such disclosures shall be contained on a separate page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.

## **XII. ENFORCEMENT**

**In accordance with Section 17D-4-201(5) of the Utah Code, the Town may impose limitations on the powers of the Districts through this Governing Document. The Town shall have the right to enforce any of the provisions, limitations or restrictions in this Governing Document against the District, through any and all legal or equitable means available to the Town, including, but not limited to, injunctive relief.**

## **EXHIBIT A**

### **Legal Descriptions**

#### **District No. 1**

A portion of the SW1/4 of Section 20, Township 14 North, Range 5 East, Salt Lake Base & Meridian, located in Rich County, Utah, more particularly described as follows:

Beginning at a point located N0°12'39"W along the Section line 265.64 feet and East 205.10 feet from the Southwest Corner of Section 20, T14N, R5E, SLB&M; thence North 100.00 feet; thence East 40.00 feet; thence South 100.00 feet; thence West 40.00 feet to the point of beginning.

Contains: 4,000 s.f.

#### **District No. 2**

A portion of the SE1/4 of Section 20, Township 14 North, Range 5 East, Salt Lake Base & Meridian, located in Rich County, Utah, more particularly described as follows:

Beginning at a point located N85°01'49"W along the Section line 670.49 feet and North 713.31 feet from the South 1/4 Corner of Section 20, T14N, R5E, SLB&M; thence West 40.00 feet; thence North 100.00 feet; thence East 40.00 feet; thence South 100.00 feet to the point of beginning.

Contains: 4,000 s.f.

#### **Annexation Area**

A portion of property located in portions of Section 32, Section 29, the Southwest 1/4 of Section 20 and the Southeast 1/4 of Section 30, Township 14 North, Range 5 East, Rich County, Utah, Salt Lake Base and Meridian, more particularly described as follows:

Beginning at the Southeast corner of HAWK ROCK SUBDIVISION, according to the Official Plat thereof on file in the Office of the Rich County Recorder, said point being located N88°57'04"W 1357.29 feet and S0°57'40"E 283.73 feet from the Southeast Corner of Section 29, T14N, R5E, SLB&M (Basis of Bearing: N0°41'52"E 2679.77 feet between the Southeast Corner and the East 1/4 Corner of Section 29, T14N, R5E, SLB&M); thence S0°32'03"E

214.08 feet; thence S0°13'36"W 239.45 feet; thence S1°19'53"E 856.24 feet; thence S0°00'38"W 2003.10 feet to a line on the northeasterly line of the Sweetwater Park Subdivision No. 2 according to the Official Plats thereof on file in the office of the Rich County Recorder; thence along said Nos. 2, 4 and 1 Subdivisions the following 17 (seventeen) courses: (1) N41°00'33"W 352.37 feet; (2) N10°09'05"E 120.08 feet; (3) thence along the arc of 585.00 foot radius curve to the left 969.97 feet through a central angle of 95°00'01" (chord: N2°30'08"W 862.62 feet); (4) thence N50°00'07"W 150.00 feet; (5) thence S39°59'53"W 354.51 feet; (6) thence along the arc of 275 foot radius curve to the left 136.52 feet through a central angle of 28°26'37" (chord: S82°43'13"W 135.12 feet); (7) thence S21°30'07"E 60.00 feet; (8) thence along the arc of a 215.00 foot radius curve to the right 103.58 feet through a central angle of 27°36'12" (chord: N82°17'59"E 102.58 feet); (9) S44°59'53"W 695.42 feet; (10) S31°14'12"W 502.49 feet; (11) thence along the arc of a 500.00 foot radius curve to the left 1145.17 feet through a central angle of 131°13'36" (chord: S63°30'58"W 910.78 feet); (12) thence S20°15'57"W 71.63 feet; (13) thence along

the arc of a 500 radius curve to the left 982.34 feet through a central angle of 112°34'04" (chord: S62°51'25"W 831.80 feet); (14) thence along the arc of a 535.11 foot radius curve to the left 1318.16 feet through a central angle of 141°08'21" (chord: S58°37'57"W 1009.27 feet); (15) thence S12°00'07" 531.42 feet; (16) thence S53°48'54"W 129.91 feet; (17) thence N38°17'39"W 268.84 feet to the Southwest Corner of Section 32, T14N, R5E, SLB&M; thence along the west line of said Section the following 2 (two) courses; (1) thence N0°09'09"E 2916.63 feet to the West 1/4 Corner of said Section; (2) thence N0°14'09"E 2644.75 feet to the Northeast corner of said Section and the Southwest Corner of Section 29, T14N, R5E, SLB&M; thence N0°14'37"E along the west line of said Section 2645.07 feet to the West 1/4 corner of said Section and the East 1/4 Corner of Section 30, T14N, R5E, SLB&M; thence N85°26'56"W along the south line of the SE1/4 of the NE1/4 of said Section 1582.20 feet to the southeast corner of EAGLE FEATHER AT SHUNDAHAI SUBDIVISION, according to the official plat thereof on file in the Office of the Rich County Recorder; thence along said subdivision the following 8 (eight) courses: (1) N13°07'26"E 90.42 feet; (2) thence N13°16'25"E 257.06 feet; (3) thence along the arc of a 360.00 foot radius curve to the right 219.45 feet through a central angle of 34°55'37" (chord: N30°35'56"E 216.07 feet) to a point of compound curvature; (4) thence along the arc of a 705.00 radius curve to the right 693.32 feet through a central angle of 56°20'49" (chord: N63°56'13"E 665.72 feet); (5) thence N44°15'49"E 303.96 feet; (6) thence N17°10'29"E 62.94 feet; (7) thence along the arc of 15.00 foot radius curve to the left 12.10 feet through a central angle of 46°11'58" (chord: N66°28'33"E 11.77 feet); (8) thence N43°21'48"E 160.93 feet to the north line of the SE1/4 of the NE1/4 of said Section; thence S87°47'14"E along said north line 469.61 feet to the northeast corner of the SE1/4 of the NE1/4 of said Section; thence N1°22'08"E along the east line of said Section 1320.00 feet to the common Corner of Section 19, 20, 29 and 30, T14N, R5E, SLB&M; thence N0°12'39"W along the west line of Section 20 1317.77 feet to the northwest corner of the SW1/4 of the SW1/4 of said Section; thence S86°43'04"W along the north line of the south half of the SW1/4 of said Section 2547.58 feet to the east right-of-way line of State Highway 89, according to the Utah Department of Transportation Project No. SP089(548)496; thence more or less along said east right-of-way line the following 4 (four) courses: (1) thence along the arc of a 3055.88 foot radius curve to the right 156.37 feet through a central angle of 2°55'55" (chord: S15°07'54"W 156.35 feet); (2) thence S73°25'52"E 8.66 feet; thence along the arc of a 4863.88 foot radius curve to the right through a central angle of 9°03'56" (chord: S20°58'45"W 768.77 feet); (4) thence along the arc of a 1940.00 foot radius curve to the right 865.46 feet through a central angle of 25°33'37" (chord: S40°29'09"W 858.30 feet); thence South 1209.13 feet to the north line of the S1/2 of the NE1/4 of Section 29; thence S89°31'24"E along said north line 2302.10 feet to the northwest corner of SE1/4 of the NE1/4 of said Section; thence S0°08'32"W 1329.74 feet to the west line of a property conveyed to the Town of Garden City, a municipal Corporation for the purposes of a public road, street or highway; thence along said property the following 2 (two) courses: (1) thence along the arc of a 573.00 foot radius curve to the left 448.16 feet through a central angle of 44°48'44" (chord: S22°44'30"W 436.82 feet); (2) thence S0°20'09"W 1532.68 feet to the northeast corner of HAWK ROCK SUBDIVISION, according to the Official Plat thereof on file in the Office of the Rich County Recorder; thence along said plat the following 15 (fifteen) courses: (1) thence S89°02'20"W 311.68 feet; (2) thence S51°38'42"W 305.76 feet; (3) thence N22°39'02"W 399.37 feet; (4) thence N72°49'08"W 297.33 feet; (5) thence S57°58'47"W 301.71 feet; (6) thence S6°13'08"W 301.00 feet; (7) thence S38°37'19"E 142.19 feet; (8) thence S17°30'19"E 132.40 feet; (9) thence S1°05'08"W 353.31 feet; (10) thence S80°57'32"E 53.03 feet; (11) thence S77°42'15"E 896.16 feet; (12) thence S84°12'16"E 67.30 feet; (13) N89°17'42"E 67.30 feet; (14) thence along the arc of a 20.00 foot radius curve to the right 31.42 feet (chord: S45°42'08"E 28.29 feet); (15) thence N89°17'42"E 68.27 feet to the point of beginning.

Contains: 825.63 +/- Acres

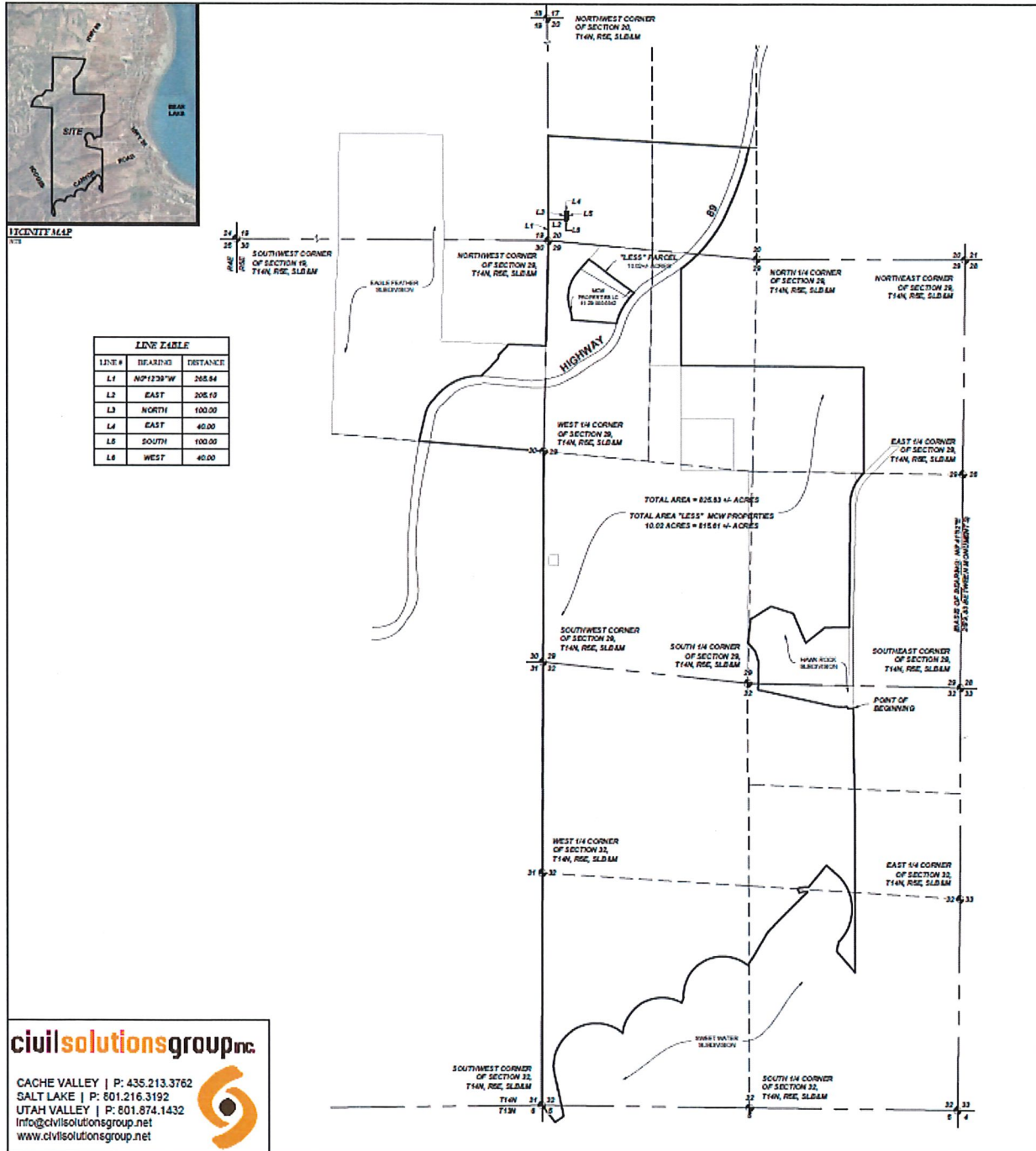
Less and accepting 10.02 acres conveyed to MCW Properties, LC associated with Rich County Parcel:  
41-28-0000042 as shown in Record of Survey # performed by JSH Surveying and Drafting, Inc.

Contains: 815.61 +/- Acres

## EXHIBIT B

### Initial District and Annexation Area Boundaries Map

#### Annexation Area and District No. 1





## Annexation Area and District No. 2

