THIS AGENDA IS SUBJECT TO CHANGE WITH MINIMUM 24-HOURS NOTICE

CITY COUNCIL AGENDA

Wednesday, January 28, 2015

NOTICE IS HEREBY GIVEN that the Herriman City Council shall assemble for a Meeting in the City Council Chambers, located at 13011 South Pioneer Street (6000 West), Herriman, Utah.

5:00 PM - WORK MEETING: *(Front Conference Room)*

COUNCIL BUSINESS

A. Review of this evening's agenda
B. Administrative Reports
   1. Planning for the International Conference of Shopping Centers – Gordon Haight, Assistant City Manager
   2. IT Department Report – Alan Rae, Finance Director, IT Manager
   3. Discussion of the 2015 Election Options – Jackie Nostrom, City Recorder
   4. Other Updates
C. Adjournment

7:00 PM - GENERAL MEETING:

1. CALL TO ORDER
   A. Invocation and Pledge
   B. Mayor's Comments
   C. Council Recognitions

2. PUBLIC COMMENT: *Audience members may bring any item to the Mayor and Council's attention. Comments will be limited to two or three minutes. State Law prohibits the Council from acting on items that do not appear on the agenda.*

3. REPORTS, PRESENTATIONS AND APPOINTMENTS
   A. Presentation of Certification – Tami Moody, Director of Administration and Communications

   B. Recognition of contributions offered by DARE Officer Jeff West – Dwayne Anjewierden, Chief of Police

4. CONSENT AGENDA
   A. Approval of a resolution to approve various amendments to the Policy and Procedures Manual sections 9-10 – Travis Dunn, Human Resource Manager

   B. Approval of a resolution electing a Mayor Pro Tempore – Brett Wood, City Manager

5. DISCUSSION AND ACTION ITEMS
   A. Discussion and consideration of an ordinance to rezone 16750 South Camp Williams Road from A-1 (Agricultural) to M-1 (Manufacturing) – Bryn McCarty, City Planner

B. Discussion and consideration of a resolution to authorize the issuance and sale of not more than $4,700,000 aggregate principal amount of water revenue bonds – Justun Edwards, Water Director

6. MAYOR AND COUNCIL COMMENTS

7. CALENDAR

A. Meetings

- January 29 – Joint City Council/Planning Commission Work Meeting 6:00 p.m.
- February 5 – Planning Commission 7:00 p.m.
- February 11 – City Council Work Meeting 5:00 p.m.; City Council Meeting 7:00 p.m.
- February 18 – Special City Council Work Meeting 5:00 p.m.

B. Events

- February 12 – 14 – Valentines Cabaret; Herriman City Hall 7:00 p.m.
- February 16 – Presidents' Day; City Offices closed

8. ADJOURNMENT

9. RECOMMENCE TO WORK MEETING (IF NEEDED)

10. CLOSED SESSION (IF NEEDED)

A. *The Herriman City Council may convene in a closed session to discuss the character, professional competence, or physical or mental health of an individual, pending or reasonable imminent litigation, and the purchase, exchange, or lease of real property, as provided by Utah Code Annotated §52-4-205*

11. SOCIAL GATHERING (No action will be taken on any items)

A. Social gathering will take place at McDonald's; 5108 West 13400 South, Herriman, UT

In accordance with the Americans with Disabilities Act, Herriman City will make reasonable accommodation for participation in the meeting. To request assistance, contact Herriman City at (801) 446-5323. Please Provide at least 48 hours advance notice of the meeting

ELECTRONIC PARTICIPATION

Members of the city council may participate electronically via telephone, skype, or other electronic means during this meeting.

CITIZEN COMMENT POLICY AND PROCEDURE

During each regular Council meeting there will be a citizen comment time. The purpose of this time is to allow citizen's access to the Council. Citizens requesting to address the Council will be asked to complete a written comment form and present it to Jackie Nostrom, City Recorder. In general, the chair will allow an individual two minutes to address the Council. A spokesperson, recognized as representing a group in attendance, may be allowed up to five minutes. At the conclusion of the citizen comment time, the chair may direct staff to assist the citizen on the issue presented; direct the citizen to the proper administrative department(s); or take no action. This policy also applies to all public hearings. Citizens may also submit written requests (outlining their issue) for an item to be considered at a future council meeting. The chair may place the item on the agenda under citizen comments; direct staff to assist the citizen; direct the citizen to the proper administrative departments; or take no action.

Certificate of Posting

I, Jackie Nostrom, the duly appointed, qualified, and acting City Recorder of Herriman City, Utah, do hereby certify that the above and foregoing is a full, true and correct copy of the agenda; it was emailed to at least one newspaper of general circulation within the geographic jurisdiction of the public body. The agenda was also posted at the principal office of the public body. Also posted on the Utah State Public Notice Website http://www.utah.gov/pmn/index.html and on Herriman City's website at www.herriman.org

Posted and Dated this 23rd day of January 2015

Jackie Nostrom, CMC
City Recorder

S T A F F R E P O R T

DATE: **January 23, 2015**

TO: The Honorable Mayor and City Council

FROM: Travis Dunn, Human Resource Manager

SUBJECT: **Amendments to Section 9-10 of the Policy and Procedures Manual**

RECOMMENDATION:

Approve Resolution No. _____ amending the Herriman City Policy and Procedure Manual with respect to Grievance Procedures and Termination of Employment Procedures.

BACKGROUND:

The attached sections were presented to the Council at the January 14, 2015 work session. Comments and recommendations were incorporated into the document as presented for approval. Human Resources has been dedicated in framing the vision of the HR role with employees. Please refer to the attached amendments for recommended changes to the manual.

ALTERNATIVES:

City Council may offer alternatives to adopt necessary changes to the Policy and Procedure Manual for Herriman City.

FISCAL IMPACT:

None.

Travis Dunn
Human Resource Manager

13011 S. Pioneer Street • Herriman, Utah 84096
(801) 446-5323 office • (801) 446-5324 fax • Herriman.org

HERRIMAN, UTAH
RESOLUTION NO.

A RESOLUTION APPROVING AN AMENDMENT TO THE HERRIMAN CITY POLICY AND PROCEDURE MANUAL WITH RESPECT TO GRIEVANCE PROCEDURES AND TERMINATION OF EMPLOYMENT PROCEDURES

WHEREAS, the Herriman City Council ("*Council*") met in regular session on January 28, 2015, to consider, among other things, approving an amendment to the Herriman City Policy and Procedure Manual with respect to grievance procedures and termination of employment procedures; and

WHEREAS, various amendments to the Herriman City Policy and Procedures Manual have been presented to and reviewed by the Council, copies of the amendments are attached hereto; and

WHEREAS, the Council desires to adopt the attached amendments.

NOW, THEREFORE, BE IT RESOLVED that the attached amendments be approved and inserted in the appropriate places in the Herriman City Policy and procedures Manual and the same be communicated to all Herriman employees.

THIS RESOLUTION, assigned No. ____, shall take effect immediately upon passage and acceptance as provided herein.

PASSED AND APPROVED this 28th day of January 2015.

HERRIMAN

By:_____

ATTEST: **Carmen Freeman**, Mayor

_____

Jackie Nostrom, City Recorder

SECTION IX: GRIEVANCE PROCEDURES

GENERAL POLICY. Herriman strives to provide employees a safe means to communicate concerns without retaliation. Employees who perceive that they have a grievance against Herriman should exhaust the administrative procedure set forth in the body of this policy before addressing their grievance through any other forum. An employee may file a grievance about any perceived work related injustice or oppression resulting from an act occurrence, omission, condition, or unfair labor practice. Issues addressable throughout the grievance process include, but are not limited to:

(1)Employee-supervisor relationships.

(2)Duty assignments not affecting job classification.

(3) ~~Shift and job location assignments.~~ Compensation practices among Herriman employees.

(4)Working conditions.

(5)Practices affecting granting of ~~vacation, or PTO.~~ leave time.

Retaliation or reprisals are prohibited against any employee who in good faith files a grievance, or who has filed a charge, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing. See additional protections under Section VI: Sexual/Gender Harassment.

A.The communication of ~~G~~grievances should ~~be resolved at the lowest administrative level possible.~~be initiated at the lowest level of administration as possible. Under most circumstances, any grievances that skip levels should be redirected to the appropriate level.

B. Employees and supervisors shall attempt to resolve grievances informally by discussing the grievance issues before any formal written grievance is filed. Each employee pursuing a formal grievance must prepare and submit to Human Resources a separate written grievance/appeal. Human Resources may counsel the employee on writing the grievance and any coaching through the process as needed. Written grievances shall contain, at a minimum, the following information:

(1)Name of the employee.

(2)Date the occurrence or action underlying the grievance occurred.

(3)Nature of the grievance.

(4)Historical information related to the grievance including conversations with the supervisor and result of the conversations~~.~~

(5)Requested resolution.

(6)Signature of the employee filing the grievance and date filed.

C.~~Employees will be allowed a reasonable amount of time during work to prepare written grievances.~~ Employee grievances must be filed within ten (10) days of the occurrence or event giving rise to the grievance, or within ten (10) days of when the

employee acquires knowledge of the occurrence or event giving rise to the grievance.

D. At each level of the grievance process, after an administrator has received a formal written employee grievance, the administrator shall have ten (10) working days to respond in writing to the grievance.

E.If an administrator is unable to answer the grievance within the specified time period due to extenuating circumstances, the administrator may take an additional ten (10) working days to answer the grievance if they notify the employee in writing of the exigent (needing immediate action) circumstances and that the extension is being exercised. Any extentions must be reviewed and approved by Human Resources. ~~If the grievance remains unresolved or the decision is considered unacceptable, the employee may appeal the decision to the next level of appeal.~~

~~F.Absent exigent circumstances, if the employee's supervisor fails to respond within the allotted time, the employee may proceed to the next level of appeal.~~

~~G.~~F. If the grievance remains unresolved or the decision is considered unacceptable, the employee may appeal the decision to the next level of appeal. Only the issues presented in the original grievance may be considered throughout the appellate process. A grievance and any necessary appeals shall be processed through the following chain of command, if applicable:

(1)Immediate supervisor.

(2)Department director.

(3)City Manager.

(4)If there is a grievance with the City Manager the employee should work through Human Resources to coordination the process.

~~F.~~G. Absent exigent circumstances, if the employee's supervisor fails to respond within the allotted time, the employee may proceed to the next level of appeal.

H.The decision of the City Manager constitutes the final level of appeal. The City Manager's decision ~~and~~ is final and cannot be appealed. If the grievance is with the City Manager, then City Council may be involved in the decision process.

I. Human Resources will be involved in and a part of each level of the grivence process. Human Resources can help the employee coordinate the appeals process and also consult with management on decisions.

2.CONFIDENTIALITY. Written Grievance Forms shall be private data under the Government Records Access Management Act.

3.FILING.

A.No document relating to a grievance shall be placed in the employee's personnel file.

B.If any disciplinary action against an employee is rescinded as a result of the grievance process, Human Resources shall remove the record of the disciplinary

action from the employee’s personnel file.

C.If any disciplinary action against an employee is modified as a result of the grievance process, the unmodified record of the disciplinary action shall be removed from the employee’s personnel file and the modified record of the disciplinary action shall be placed in the employee’s personnel file.

SECTION IX: GRIEVANCE PROCEDURES

GENERAL POLICY. Herriman strives to provide employees a safe means to communicate concerns without retaliation. Employees who perceive that they have a grievance against Herriman should exhaust the administrative procedure set forth in the body of this policy before addressing their grievance through any other forum. An employee may file a grievance about any perceived work related injustice or oppression resulting from an act occurrence, omission, condition, or unfair labor practice. Issues addressable throughout the grievance process include, but are not limited to:

(1) Employee-supervisor relationships.
(2) Duty assignments not affecting job classification.
(3) Compensation practices among Herriman employees.
(4) Working conditions.
(5) Practices affecting granting of leave time.

Retaliation or reprisals are prohibited against any employee who in good faith files a grievance, or who has filed a charge, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing. See additional protections under Section VI: Sexual/Gender Harassment.

A. The communication of grievances should be initiated at the lowest level of administration as possible. Under most circumstances, any grievances that skip levels should be redirected to the appropriate level.

B. Employees and supervisors shall attempt to resolve grievances informally by discussing the grievance issues before any formal written grievance is filed. Each employee pursuing a formal grievance must prepare and submit to Human Resources a separate written grievance/appeal. Human Resources may counsel the employee on writing the grievance and any coaching through the process as needed. Written grievances shall contain, at a minimum, the following information:

(1) Name of the employee.
(2) Date the occurrence or action underlying the grievance occurred.
(3) Nature of the grievance.
(4) Historical information related to the grievance including conversations with the supervisor and result of the conversations.
(5) Requested resolution.
(6)Signature of the employee filing the grievance and date filed.

C. Employee grievances must be filed within ten (10) days of the occurrence or event giving rise to the grievance, or within ten (10) days of when the employee acquires knowledge of the occurrence or event giving rise to the grievance.

D. At each level of the grievance process, after an administrator has received a formal written employee grievance, the administrator shall have ten (10) working days to respond in writing to the grievance.

E. If an administrator is unable to answer the grievance within the specified time period due to extenuating circumstances, the administrator may take an additional ten (10) working days to answer the grievance if they notify the employee in writing of the exigent (needing immediate action) circumstances and that the extension is being exercised. Any extensions must be reviewed and approved by Human Resources.

F. If the grievance remains unresolved or the decision is considered unacceptable, the employee may appeal the decision to the next level of appeal. Only the issues presented in the original grievance may be considered throughout the appellate process. A grievance and any necessary appeals shall be processed through the following chain of command, if applicable:

(1) Immediate supervisor.

(2) Department director.

(3) City Manager.

(4) If the grievance is with the City Manager, the employee should work through Human Resources to coordination the process.

G. Absent exigent circumstances, if the employee's supervisor fails to respond within the allotted time, the employee may proceed to the next level of appeal.

H. The decision of the City Manager constitutes the final level of appeal. The City Manager's decision is final and cannot be appealed. If the grievance is with the City Manager, then City Council may be involved in the decision process.

I. Human Resources will be involved in and a part of each level of the grievance process. Human Resources can help the employee coordinate the appeals process and also consult with management on decisions.

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C. If any disciplinary action against an employee is modified as a result of the grievance process, the unmodified record of the disciplinary action shall be removed from the employee's personnel file and the modified record of the disciplinary action shall be placed in the employee's personnel file.

SECTION X: TERMINATION OF EMPLOYMENT

Anytime there is a separation between the employee and Herriman it will be considered a termination of employment.

Note: Any involuntary termination should be reviewed with legal counsel before termination is pursued or a resignation is accepted to ensure the employee's "due process" property rights are not violated.

1. TYPES OF TERMINATION.

A.Voluntary Resignation. When an employee ~~wishes~~ chooses to leave Herriman of their own choice and not for retirement., ~~they will complete a Notice of Voluntary Resignation Form and present it to Human Resources.~~

B.Involuntary Termination. When Herriman decides to terminate an employee not at the employee's choice. ~~The City Manager may conclude that an employee should be involuntarily terminated for no reason (for probationary employees) or for cause.~~

C.Resignation~~,~~ in Lieu of an Involuntary Termination.~~, Agreement.~~When an employee decides to resign their position rather than receiving an involuntary termination. ~~The City Manager may conclude that an employee should be involuntarily terminated for no reason (for probationary employees and department directors) or for cause.~~ If Involuntary Termination proceedings have begun, but have not been completed and an employee suggests that they would like to voluntarily resign, the City Manager may agree to a Resignation i~~I~~n Lieu o~~O~~f a~~A~~n Involuntary Termination a~~A~~greement.

D.Retirement. Voluntary termination at the end of an employee's career usually due to years worked or age~~.~~

E.Reductions in Force/Layoffs. ~~Whenever it is~~During certain times it may be necessary to reduce the number of employees in Herriman because of lack of work or lack of funds.~~,~~ Herriman may attempt to minimize layoffs by the readjustment of personnel through reassignment of duties in other work areas.

~~F.Medical. The American's with Disabilities Act (ADA) prohibits illegal discrimination by an employer against an "otherwise qualified individual with a disability." Consequently, an employee should not be terminated for medical reasons without prior consultation with legal counsel.~~

~~G~~F.Termination as a Result of an Employee's Death. If an employee of Herriman dies, their estate receives all pay due and any earned and payable benefits (such as payment for compensation time, vacation, and/or PTO, if applicable) as of the date of death.

2.REQUIRED NOTICE PRIOR TO TERMINATION.

A. All employees should endeavor to notify Herriman at least two (2) weeks before retiring or voluntarily resigning~~ to be eligible to receive pay for unused, accrued vacation (if applicable).~~.

B. Management level employees should endeavor to provide three (3) weeks notice if possible.

C.Herriman ~~does not have a requirement to~~may not provide~~ give any~~ prior notice to an employee before terminating their employment with Herriman.

~~C.Unused, accrued vacation, PTO (to the extent applicable), and compensatory time will be paid upon terminations of employment involving Reductions in Force/Layoffs, Medical Reasons, and Deaths.~~

3.TERMINATION PROCEDURES.

A. Voluntary Termination

(1) It is expected that an employee who is resigning provide a~~A~~ n~~N~~otice of ~~V~~voluntary r~~R~~esignation ~~Form~~letter to their supervisor~~,~~ signed by the employee, or an email from their work email account with an electronic signature stating the employee is leaving voluntarily. ~~, and a supervisor or department director may be utilized in Voluntary Resignations.~~

(2) The supervisor will notify Human Resources who will start processing the exit checklist and set up an exit interview.

(3) Employees will work with their supervisor to document processes and procedures as needed and ensure work is covered and understood by another employee within the department.

(4) Employees will receive pay for time worked on their next regular paycheck according to the payroll schedule. Any unused time off accruals will also be paid on the next regular paycheck.

(5) Employees are required to ensure their workstation is in good order and that all Herriman owned equipment and supplies are returned in good working condition.

B.Involuntary Terminations/Separations for Cause

(1) ~~require Herriman~~ Herriman will ~~to~~ provide the~~ir~~ terminating employees with written notification of due process.

(2)"At-Will" Involuntary Terminations (for probationary employees and department directors) do not require Herriman to provide their terminating employees with written notification of due process.

(3) Employees will receive all final compensation within 24 hours of the time of termination. Payment may be through either a paycheck in the mail, a paycheck available to pick up from the Herriman office, or a direct deposit if proper approvers are available for a bank transaction. Payment will include unused paid time off, hours worked, and any additional pay earned.

(4) Supervisors are responsible to ensure all Herriman owned equipment and supplies are returned and are in good condition. With direction from Human Resources, a supervisor may be asked to help pack up an employee's desk and arrangements will be made with the employee to pick up any personal belongings.

C.A Resignation in Lieu of an Involuntary Termination Agreement~~, signed by the employee and the City Manager may be utilized in negotiated terminations~~.

(1) A Resignation i~~I~~n Lieu of an Involuntary Termination Agreement does not require Herriman to provide their terminating employees with written notification of due process.

(2) Payment procedure will be the same as if the employee was involuntarily terminated.

(3) Employee will be considered involuntarily terminated for future employment opportunities.

D. ~~The following steps should be taken for~~ Voluntary Retirements.~~:~~

(1) Employees who desire retirement should endeavor to notify Herriman three months in advance.

(2) Employees are ultimately responsible to understand their benefits through Utah Retirement System and any Medicare benefits. Human Resources and the supervisor may help navigate and gather retirement information on the employee's behalf.

(3) Human Resources will notify required government agencies and Utah Retirement system of an employee's retirement.

~~(2) Herriman should communicate the status of each employee's retirement benefits. Upon request for retirement benefits, Herriman should notify the administrator of the retirement program and the appropriate state and federal regulatory agencies.~~

~~(3)Herriman should carefully explain to the employee what the options are (such as Cobra and Retirement Plan Options).~~

~~(4)Herriman should give the employee ample time to review the retirement plan.~~

~~(4)Herriman should have the employee sign a release, or at least a declaration statement, to the effect that they a reelecting retirement of their own free will.~~

E.~~The following steps should be taken for~~ Reductions in Force/Layoffs.~~:~~

(1)Determine whether Herriman is required to follow statutory guidelines related to the reduction in force/layoff. If Herriman is required to follow statutory guidelines; policy, procedure, and actual practice must comply with said guidelines.

(2)If Herriman is facing a possible reduction in labor force, Herriman should

explain the situation to its employees, advising them of the possibility that reductions in force/layoffs may become an economic necessity for Herriman.

(3)In the selection of employees for Herriman's reduction in force/layoff, the following guidelines should be considered:

(a)Selection should be based upon the employee's ability to perform the work assignments within the affected department. ~~(b)~~Seniority should govern the selection when skills and ability are ~~equal~~similar.

(c)Emergency, temporary, and probationary employees should be laid off first. ~~(d)~~Permanent employees should be the last to be laid off, when possible and in inverse order as applicable~~, ~~.

(~~e~~d) Before any reduction in force/layoff, Herriman should determine whether it is subject to the requirements of the Worker Adjustment and Retraining Notification Act, 29 U.S.C. 2101, et seq.

(~~f~~e)Herriman should provide benefits information and carefully explain to the employee ~~what~~ their options ~~are~~, ~~(~~such as COBRA and Retirement Plan Options~~)~~.

(~~g~~f)If Herriman cannot give advanced notice of a reduction in force/layoff to the employee, two weeks' severance pay may be given in lieu of notice for a bona fide reduction in force/layoff.

(~~h~~g) If possible Herriman will provide written notifications. Written reductions in force/layoffs notices should contain the following information:

(i)Statement that separation from employment is based on reduction in force/layoff.

(ii)Anticipated date of layoff.

(iii)Any options regarding employee placement in another position.

~~F.Outstanding Pay.~~

~~(1)Arrange for distribution of any paychecks which may be due the employee, including pay for any hours worked but not paid; pay for unused, accrued vacation, or PTO, and compensatory time (to the extent applicable).~~

~~(2)Under Utah State law, the required timing of the final payment at termination is:~~

~~(a) A Voluntary Resignation. Within one (1) workday of effective resignation date.~~

~~(b)An Involuntary Termination/Separation for Cause. Within one (1) Workday of last day worked, less the value, as determined by Herriman, for Herriman's equipment or property assigned to such employee and not returned.~~

~~G. The terminating employee will return any supplies or equipment, which are the property of Herriman, to Herriman at termination.~~

~~H.All terminating employees should complete an Exit Interview Form with Human Resources. The Exit Interview Form should be signed by the employee and Human Resources.~~

4.COBRA. Any employee, who is eligible for benefits, that is separated from Herriman is entitled to certain continuation of insurance coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”), as modified by the American Recovery and Reinvestment Act of 2009 (“ARRA”), as stated in Herriman’s COBRA Notification.

A.COBRA, as modified by the ARRA, requires Herriman to offer a continuation of group insurance coverage to individuals who fall under one (1) of the following “qualifying events”:

(1)Termination of employment (other than for gross misconduct),for a maximum continuation period of eighteen (18) months.

(2)Reduction of work hours below eligibility requirement, for a maximum continuation period of eighteen (18) months.

(3)Dependent coverage terminated due to death of employee, for a maximum continuation period of thirty six (36) months.

(4)Divorce or legal separation from employee, for a maximum continuation period of thirty six (36) months.

(5)Spouse or dependent of Medicare eligible employee, for a maximum continuation period of thirty six (36) months.

(6)Dependent child who ceases to be a dependent under the generally applicable requirements of the group plan, for a maximum continuation period of thirty six (36) months.

B.Under COBRA, as modified by ARRA, a qualifying individual is entitled to continued group insurance coverage identical to that which is provided to similarly situated beneficiaries to whom a qualifying event has not occurred. Individuals who are entitled to continued benefits under COBRA, as modified by ARRA, are required to pay the entire premium required under the policy during the entire period of the continued coverage. The premium a qualifying individual will be required to pay may not exceed one hundred and two percent (102%) of the applicable premium, for any period of continued coverage. Failure to pay the monthly premium will result in a cancellation of the insurance.

C.The insurance benefits offered under the COBRA, as modified by ARRA, will be terminated if and when any of the following occur:

(1)A qualifying individual fails to pay the premium at the time it is required.

(2)A qualifying individual becomes eligible for coverage under any other group insurance plan due to employment or remarriage.

(3)At the expiration of a qualifying individual’s maximum continuation period.

D.The offer of continued insurance coverage under COBRA, as modified by ARRA, is made independent of any other offer to continue insurance that may be required under any applicable state law.

E.A qualifying individual has sixty (60) days from the termination date of their current coverage to decide whether to continue their insurance coverage under this plan or for certain assistant eligible individuals to qualification for premium assistance and the option to enroll in different coverage, if applicable. If they decide to apply for the continued coverage, all due and owing premiums must be paid before coverage will be granted. If they fail to apply for coverage within the sixty (60) days, they will have waived their rights to continuation of coverage under the COBRA, as modified by ARRA guidelines.

SECTION X: TERMINATION OF EMPLOYMENT

Anytime there is a separation between the employee and Herriman it will be considered a termination of employment.

Note: Any involuntary termination should be reviewed with legal counsel before termination is pursued or a resignation is accepted to ensure the employee's "due process" property rights are not violated.

1. TYPES OF TERMINATION.
   A. Voluntary Resignation. When an employee chooses to leave Herriman of their own choice and not for retirement.
   B. Involuntary Termination. When Herriman decides to terminate an employee not at the employee's choice.
   C. Resignation in Lieu of an Involuntary Termination. When an employee decides to resign their position rather than receiving an involuntary termination. If Involuntary Termination proceedings have begun, but have not been completed and an employee suggests that they would like to voluntarily resign, the City Manager may agree to a Resignation in Lieu of an Involuntary Termination agreement.
   D. Retirement. Voluntary termination at the end of an employee's career usually due to years worked or age.
   E. Reductions in Force/Layoffs. During certain times it may be necessary to reduce the number of employees in Herriman because of lack of work or lack of funds. Herriman may attempt to minimize layoffs by the readjustment of personnel through reassignment of duties in other work areas.
   F. Termination as a Result of an Employee's Death. If an employee of Herriman dies, their estate receives all pay due and any earned and payable benefits (such as payment for compensation time, vacation, and/or PTO, if applicable) as of the date of death.
2. REQUIRED NOTICE PRIOR TO TERMINATION.
   A. All employees should endeavor to notify Herriman at least two (2) weeks before retiring or voluntarily resigning.
   B. Management level employees should endeavor to provide three (3) weeks notice if possible.
   C. Herriman may not provide prior notice to an employee before terminating their employment with Herriman.
3. TERMINATION PROCEDURES.
   A. Voluntary Termination
      (1) It is expected that an employee who is resigning provide a notice of voluntary resignation letter to their supervisor signed by the employee, or an

email from their work email account with an electronic signature stating the employee is leaving voluntarily.

(2) The supervisor will notify Human Resources who will start processing the exit checklist and set up an exit interview.

(3) Employees will work with their supervisor to document processes and procedures as needed and ensure work is covered and understood by another employee within the department.

(4) Employees will receive pay for time worked on their next regular paycheck according to the payroll schedule. Any unused time off accruals will also be paid on the next regular paycheck.

(5) Employees are required to ensure their workstation is in good order and that all Herriman owned equipment and supplies are returned in good working condition.

B. Involuntary Terminations/Separations for Cause

(1) Herriman will provide the terminating employees with written notification of due process.

(2) “At-Will” Involuntary Terminations (for probationary employees and department directors) do not require Herriman to provide their terminating employees with written notification of due process.

(3) Employees will receive all final compensation within 24 hours of the time of termination. Payment may be through either a paycheck in the mail, a paycheck available to pick up from the Herriman office, or a direct deposit if proper approvers are available for a bank transaction. Payment will include unused paid time off, hours worked, and any additional pay earned.

(4) Supervisors are responsible to ensure all Herriman owned equipment and supplies are returned and are in good condition. With direction from Human Resources, a supervisor may be asked to help pack up an employee’s desk and arrangements will be made with the employee to pick up any personal belongings.

C.A Resignation in Lieu of an Involuntary Termination Agreement.

(1) A Resignation in Lieu of an Involuntary Termination Agreement does not require Herriman to provide their terminating employees with written notification of due process.

(2) Payment procedure will be the same as if the employee was involuntarily terminated.

(3) Employee will be considered involuntarily terminated for future employment opportunities.

D. Voluntary Retirements.

(1) Employees who desire retirement should endeavor to notify Herriman three months in advance.
(2) Employees are ultimately responsible to understand their benefits through Utah Retirement System and any Medicare benefits. Human Resources and the supervisor may help navigate and gather retirement information on the employee's behalf.
(3) Human Resources will notify required government agencies and Utah Retirement system of an employee's retirement.

E. Reductions in Force/Layoffs.

(1) Determine whether Herriman is required to follow statutory guidelines related to the reduction in force/layoff. If Herriman is required to follow statutory guidelines; policy, procedure, and actual practice must comply with said guidelines.
(2) If Herriman is facing a possible reduction in labor force, Herriman should explain the situation to its employees, advising them of the possibility that reductions in force/layoffs may become an economic necessity for Herriman.
(3) In the selection of employees for Herriman's reduction in force/layoff, the following guidelines should be considered:

(a)Selection should be based upon the employee's ability to perform the work assignments within the affected department. Seniority should govern the selection when skills and ability are similar.
(b) Emergency, temporary, and probationary employees should be laid off first. Permanent employees should be the last to be laid off, when possible and in inverse order as applicable.
(c) Before any reduction in force/layoff, Herriman should determine whether it is subject to the requirements of the Worker Adjustment and Retraining Notification Act, 29 U.S.C. 2101, et seq.
(d) Herriman should provide benefits information and carefully explain to the employee their options, such as COBRA and Retirement Plan Options.
(e) If Herriman cannot give advanced notice of a reduction in force/layoff to the employee, two weeks' severance pay may be given in lieu of notice for a bona fide reduction in force/layoff.
(f) If possible Herriman will provide written notifications. Written reductions in force/layoffs notices should contain the following information:

(i)Statement that separation from employment is based on reduction in force/layoff.
(ii)Anticipated date of layoff.
(iii)Any options regarding employee placement in another position.

4. COBRA. Any employee, who is eligible for benefits, that is separated from Herriman is entitled to certain continuation of insurance coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”), as modified by the American Recovery and Reinvestment Act of 2009 (“ARRA”), as stated in Herriman’s COBRA Notification.

A. COBRA, as modified by the ARRA, requires Herriman to offer a continuation of group insurance coverage to individuals who fall under one (1) of the following “qualifying events”:

(1) Termination of employment (other than for gross misconduct), for a maximum continuation period of eighteen (18) months.

(2) Reduction of work hours below eligibility requirement, for a maximum continuation period of eighteen (18) months.

(3) Dependent coverage terminated due to death of employee, for a maximum continuation period of thirty six (36) months.

(4)Divorce or legal separation from employee, for a maximum continuation period of thirty six (36) months.

(5)Spouse or dependent of Medicare eligible employee, for a maximum continuation period of thirty six (36) months.

(6)Dependent child who ceases to be a dependent under the generally applicable requirements of the group plan, for a maximum continuation period of thirty six (36) months.

B. Under COBRA, as modified by ARRA, a qualifying individual is entitled to continued group insurance coverage identical to that which is provided to similarly situated beneficiaries to whom a qualifying event has not occurred. Individuals who are entitled to continued benefits under COBRA, as modified by ARRA, are required to pay the entire premium required under the policy during the entire period of the continued coverage. The premium a qualifying individual will be required to pay may not exceed one hundred and two percent (102%) of the applicable premium, for any period of continued coverage. Failure to pay the monthly premium will result in a cancellation of the insurance.

C. The insurance benefits offered under the COBRA, as modified by ARRA, will be terminated if and when any of the following occur:

(1) A qualifying individual fails to pay the premium at the time it is required.

(2) A qualifying individual becomes eligible for coverage under any other group insurance plan due to employment or remarriage.

(3) At the expiration of a qualifying individual’s maximum continuation period.

D. The offer of continued insurance coverage under COBRA, as modified by ARRA, is made independent of any other offer to continue insurance that may be required under any applicable state law.

E. A qualifying individual has sixty (60) days from the termination date of their current coverage to decide whether to continue their insurance coverage under this plan or for certain assistant eligible individuals to qualification for premium assistance and the option to enroll in different coverage, if applicable. If they decide to apply for the continued coverage, all due and owing premiums must be paid before coverage will be granted. If they fail to apply for coverage within the sixty (60) days, they will have waived their rights to continuation of coverage under the COBRA, as modified by ARRA guidelines.

S T A F F R E P O R T

DATE: **January 23, 2015**

TO: The Honorable Mayor and City Council

FROM: Brett Wood, City Manager

SUBJECT: **Electing a Mayor Pro Tempore**

RECOMMENDATION:

Approve Resolution No. _____ electing a Mayor Pro Tempore.

BACKGROUND:

Utah law provides that the governing body may elect a member of the Council to preside and perform the duties and functions of Mayor in the event that the Mayor is absent, unable, or refuses to act.

ALTERNATIVES:

The Council may determine to elect any member of the City Council as Mayor Pro Tempore.

FISCAL IMPACT:

None.

Brett Wood
City Manager

City Council
January 28, 2015

13011 S. Pioneer Street • Herriman, Utah 84096
(801) 446-5323 office • (801) 446-5324 fax • Herriman.org

HERRIMAN, UTAH
RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF HERRIMAN ELECTING A MAYOR PRO TEMPORE

WHEREAS, the Herriman City Council (the "*Council*") met in regular meeting on January 28, 2015 to consider, among other things, the appointment of a mayor pro tempore; and

WHEREAS, Utah law provides, among other things, that the governing body may elect a member of the governing body to preside over the meeting as mayor pro tempore; and

WHEREAS, the Council has determined that it is in the best interests of the health, safety, and welfare of the inhabitants of Herriman to elect a mayor pro tempore; and

NOW, THEREFORE, **BE IT RESOLVED** by the Council that Councilmember Coralee Wessman-Moser be elected as mayor pro tempore for the 2015 calendar year, and that this action shall be entered in the minutes of this meeting.

This resolution, shall take effect immediately upon passage and acceptance as provided herein.

PASSED AND APPROVED by the Council of Herriman, Utah, this 28th day of January 2015.

HERRIMAN CITY COUNCIL

_____
Carmen Freeman, Mayor

ATTEST:

_____
Jackie Nostrom
City Recorder

S T A F F R E P O R T

DATE: **January 21, 2015**

TO: The Honorable Mayor and City Council

FROM: Planning Commission

SUBJECT: **Rezone property located at 16750 S Camp Williams Road**

RECOMMENDATION:

The Planning Commission recommended approval of the rezone from A-1 to M-1.

BACKGROUND:

The general plan shows that the site is in the Light Industrial Park/Business Park designation.

DISCUSSION:

The applicant is requesting to rezone 3 parcels from A-1 to M-1. A portion of the 3 parcels is already zoned M-1. The applicant would like to rezone the remaining acreage to the M-1 zone which is consistent with the General Plan. The area is directly adjacent to the future Mountain View Corridor.

ALTERNATIVES:

n/a

FISCAL IMPACT:

NONE

Bryn McCarty
City Planner

City Council
January 28, 2015

Herriman, Utah
Ordinance No. 15-xx

Rezone 16750 S Camp Williams Rd from A-1 (Agricultural) to M-1 (Manufacturing) (File No. 01Z15)

WHEREAS, the City of Herriman, pursuant to state law, may enact a land use ordinance establishing regulations for land use and development; and

WHEREAS, pursuant to City of Herriman Ordinance, the Planning Commission shall hold a public hearing and provide reasonable notice at least 10 days prior to said public hearing to prepare and recommend to the City Council the proposed land use ordinance map changes; and

WHEREAS, notice of the Planning Commission public hearing on the land use ordinance map change was sent on January 5, 2015, noticing of the January 15, 2015, public hearing at 7:00 p.m.; and

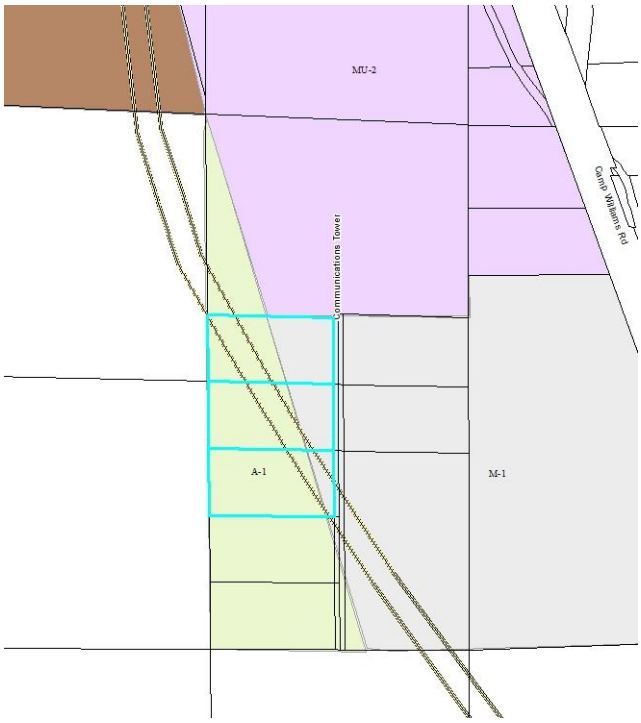
WHEREAS, the Planning Commission recommended approval of the land use ordinance map change in the meeting held on January 15, 2015, at 7:00 p.m. in the Community Center; and

WHEREAS, pursuant to City of Herriman Ordinance, the City Council must hold a public meeting allowing public input at said public meeting; and

WHEREAS, the City Council public meeting on January 28, 2015, was held at 7:00 p.m. in the Community Center; and

WHEREAS, the City Council finds that it is in the best interest of the citizens of Herriman to adopt the land use ordinance map change as recommended by the Planning Commission;

NOW THEREFORE, be it ordained by the Herriman City Council that the following area be adopted as a map change from A-1 to M-1on the zoning map of the City:



PASSED AND APPROVED this 28th day of January, 2015.

HERRIMAN CITY COUNCIL

By:_____
Carmen Freeman, Mayor

ATTEST:

_____
Jackie Nostrom, City Recorder

S T A F F R E P O R T

DATE: **January 23, 2015**

TO: The Honorable Mayor and City Council

FROM: Justun Edwards, Water Director

SUBJECT: **Water Revenue Bond**

RECOMMENDATION:

Approval of Resolution No. _____ authorizing the issuance and sale of not more than $4,700,000 aggregate principal amount of water revenue bonds, series 2015; fixing the maximum aggregate principal amount of the bonds, the maximum number of years over which the bonds may mature, the maximum interest rate which the bonds may bear, and the maximum discount from par at which the bonds may be sold; providing for the publication of a notice of public hearing and bonds to be issued; providing for the running of a contest period; authorizing the execution by the issuer of a supplemental indenture of trust, and other documents necessary for the issuance of the series 2015 bonds; authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this resolution; and related matters.

BACKGROUND:

Herriman City has obtained a Bond Anticipation Note from Zions Bank in the amount of $4,415,000 in 2012. The note was due to be paid off on July 1, 2014 which the City received an extension to July 1, 2015. The Bond is to pay off the bank note and turn it into a long term bonded debt. The new bond will be a Water Revenue Bond meaning that the revenues from water bills will be pledged for collateral.

DISCUSSION:

The Water Revenue Bond will be held by the Drinking Water Board, which will be utilized to construct a five (5) million gallon culinary water tank and other related onsite infrastructure as well as property purchase for the tank and infrastructure.

ALTERNATIVES:

None.

Justun Edwards
Water Director

City Council
January 28, 2015

Herriman, Utah

January 28, 2015

The City Council (the "Council") of Herriman City, Utah (the "City"), met in regular public session at the regular meeting place of the Council in Herriman City, Utah on January 28 2015, at the hour of 7:00 p.m., with the following members of the Council being present:

Carmen Freeman	Mayor
Mike Day	Councilmember
Matt Robinson	Councilmember
Craig B.Tischner	Councilmember
Coralee Wessman-Moser	Councilmember

Also present:

Jackie Nostrom	City Recorder
John Brems	City Attorney
Alan W. Rae	Finance Director

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the City Recorder presented to the City Council a Certificate of Compliance with Open Meeting Law with respect to this January 28, 2015, meeting, a copy of which is attached hereto as Exhibit A.

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

AYE:

NAY:

The resolution is as follows:

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF HERRIMAN CITY, UTAH (THE "ISSUER"), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN $4,700,000 AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2015; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; PROVIDING FOR THE PUBLICATION OF A NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AUTHORIZING THE EXECUTION BY THE ISSUER OF A SUPPLEMENTAL INDENTURE OF TRUST, AND OTHER DOCUMENTS NECESSARY FOR THE ISSUANCE OF THE SERIES 2015 BONDS; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

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

WHEREAS, subject to the limitations set forth herein, the Issuer desires to issue its Water Revenue Bonds, Series 2015 (the "Series 2015 Bonds") to (a) finance the construction of water storage tank and related improvements (collectively, the "Project") and (b) pay costs of issuance of the Series 2015 Bonds pursuant to this Resolution, a General Indenture of Trust (the "General Indenture") dated as of July 1, 2005, between the Issuer and Zions First National Bank, as trustee (the "Trustee"), and a Supplemental Indenture of Trust, between the Issuer and the Trustee, in substantially the form presented to the meeting at which this resolution was adopted and which is attached hereto as Exhibit B (the "Supplemental Indenture"); and

WHEREAS, the State of Utah Department of Environmental Quality, Drinking Water Board (the "Drinking Water Board") has offered to purchase the Issuer's Series 2015 Bonds; and

WHEREAS, the Act provides that prior to issuing bonds, an issuing entity must (a) give notice of its intent to issue such bonds and (b) hold a public hearing to receive input from the public with respect to (i) the issuance of the bonds and (ii) the potential economic impact that the improvement, facility or property for which the bonds pay all or part of the cost will have on the private sector; and

WHEREAS, the Issuer desires to call a public hearing for this purpose and to publish a notice of such hearing with respect to the Series 2015 Bonds, including a notice of bonds to be issued, in compliance with the Act; and

WHEREAS, in order to allow the Issuer (with the consultation and approval of Zions Bank Public Finance, the Issuer's Financial Advisor, (the "Financial Advisor")) flexibility in setting the pricing date of the Series 2015 Bonds to optimize debt service savings to the Issuer, the Council desires to grant to the Mayor or Mayor Pro Tem (collectively, the "Mayor"), or the Finance Director (the "Finance Director") (collectively, the "Designated Officers"), in accordance with state law, the authority approve the interest rates, principal amounts, terms, maturities, redemption features, and purchase price at which the Series 2015 Bonds shall be sold and any changes with respect thereto from those terms which were before the Council at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the "Parameters").

NOW, THEREFORE, it is hereby resolved by the City Council of Herriman City, Utah, as follows:

Section 1. The Issuer hereby authorizes and approves the issuance and sale of the Series 2015 Bonds to the Drinking Water Board for the purpose of financing the Project, and paying costs of issuance of the Series 2015 Bonds, in the aggregate principal amount of not to exceed $4,700,000, to bear interest at the rate or rates of not to exceed two and one-quarter percent (2.25%) to mature in not more than twenty-two (22) years from their date or dates, to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, and to be subject to redemption, all as shall be approved by the Designated Officers within the parameters set forth herein so long as the principal amount, interest rate or rates, maturity and discount shall not exceed the maximums set forth in this Section 1.

Section 2. The form of Supplemental Indenture, attached hereto as Exhibit B, is in all respects hereby authorized and approved, and the Mayor and the City Recorder are hereby authorized and directed to execute and deliver the same on behalf of the Issuer.

Section 3. The form, terms, and provisions of the Series 2015 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Mayor and City Recorder are hereby authorized and directed to execute and seal the Series 2015 Bonds and to deliver said Series 2015 Bonds to the trustee for authentication. The signatures of the Mayor and the City Recorder may be by facsimile or manual execution.

Section 4. The appropriate officials of the Issuer are authorized to make any alterations, changes or additions to the Supplemental Indenture, the Series 2015 Bonds, or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2015 Bonds (within the Parameters set by this Resolution), 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 City Council or the provisions of the laws of the State of Utah or the United States.

Section 5. The appropriate officials of the Issuer are hereby authorized and directed to execute and deliver to the Trustee the written order of the Issuer for authentication and delivery of the Series 2015 Bonds in accordance with the provisions of the Indenture.

Section 6. Upon their issuance, the Series 2015 Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2015 Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2015 Bonds, or any other instrument, shall be construed as creating a general obligation of the Issuer, or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Issuer or its taxing powers.

Section 7. 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 (including, but not limited to a bond purchase contract) in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 8. After the Series 2015 Bonds are delivered by the trustee to the Drinking Water Board, and upon receipt of payment therefor, this Resolution shall be and remain irrepealable until the principal of the Series 2015 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 9. The form of Supplemental Indenture authorized and approved hereby is authorized and approved with such additions, modifications, deletions, and changes thereto as may be deemed necessary or appropriate and approved by the City Attorney. The execution thereof by the Mayor on behalf of the Issuer shall conclusively establish such necessity, appropriateness, and approval with respect to all such additions, modifications, deletions, and changes incorporated therein.

Section 10. The Issuer shall hold a public hearing on February 25, 2015, to receive input from the public with respect to (a) the issuance of the Series 2015 Bonds, and (b) the potential economic impact that the improvements to be financed with the proceeds of the Series 2015 Bonds will have on the private sector, which hearing date shall not be less than fourteen (14) days after notice of the public hearing is first published (i) once a week for two consecutive weeks in Salt Lake Tribune, a newspaper of general circulation in the Issuer, (ii) on the Utah Public Notice Website created under Section 63F-1-701, Utah Code Annotated 1953, as amended, and (iii) on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended. The City Recorder shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the Herriman City offices, for public examination during the regular business hours of the Issuer until at least thirty (30) days from and after the date of publication thereof. The Issuer directs its officers and

staff to publish a “Notice of Public Hearing and Bonds to be Issued” in substantially the following form:

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, that on January 28, 2015, the City Council (the "City Council") of Herriman City, Utah (the "Issuer"), adopted a resolution (the "Resolution") in which it authorized the issuance of the Issuer's Water Revenue Bonds, Series 2015 (the "Series 2015 Bonds") and called a public hearing to receive input from the public with respect to (a) the issuance of the Series 2015 Bonds and (b) any potential economic impact that the Project described herein to be financed with the proceeds of the Series 2015 Bonds may have on the private sector.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on February 25, 2015, at the hour of 7:00 p.m. at 13011 South Pioneer Street, Herriman, Utah. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE SERIES 2015 BONDS

The Series 2015 Bonds will be issued for the purpose of (a) financing the construction of water storage tank and related improvements (collectively, the "Project") and (b) paying costs of issuance of the Series 2015 Bonds.

REVENUES TO BE PLEDGED

The Series 2015 Bonds are special limited obligations of the Issuer payable from the net revenues of the Issuer's Water system.

PARAMETERS OF THE SERIES 2015 BONDS

The Issuer intends to issue the Series 2015 Bonds in the aggregate principal amount of not more than Four Million Seven Hundred Thousand Dollars ($4,700,000), to bear interest at the rate or rates of not to exceed two and one-quarter percent (2.25%) per annum, to mature in not more than twenty-two (22) years from their date or dates, and to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof. The Series 2015 Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a General Indenture of Trust dated as of July 1, 2005, as heretofore amended and supplemented (the "General Indenture"), and a Supplemental Indenture of Trust (the "Supplemental Indenture" and together with the General Indenture, the "Indenture") which were before the City Council in substantially final form at the time of the adoption of the Resolution. Said Supplemental Indenture is to be executed by the Issuer in such form and with such changes thereto as shall be approved by the Issuer; provided that the principal amount, interest rate or rates, maturity, and discount of the Series 2015 Bonds will not exceed the maximums set forth above.

OUTSTANDING BONDS SECURED BY WATER REVENUES

The Issuer has $16,690,000 of Bonds currently outstanding that are secured by the Water Revenues.

OTHER OUTSTANDING BONDS OF THE ISSUER

Additional information regarding the Issuer's outstanding bonds may be found in the Issuer's financial report (the "Financial Report") at: http://auditor.utah.gov/accountability/financial-reports-of-local-governments/. For additional information, including any information more recent than as of the date of the Financial Report, please contact Alan W. Rae, Finance Director at (801) 446-5323.

TOTAL ESTIMATED COST

Based on the Issuer's current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Series 2015 Bonds if held until maturity is $5,811,075.88.

A copy of the Resolution and the Indenture are on file in the office of the City Recorder, 13011 South Pioneer Street, Herriman, Utah, where they may be examined during regular business hours of the City Recorder from 7:30 a.m. to 5:30 p.m. Monday through Friday for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Indenture (only as the same relates to the Series 2015 Bonds), or the Series 2015 Bonds, or any provision made for the security and payment of the Series 2015 Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

DATED this January 28, 2015.

/s/Jackie Nostrom
City Recorder

Section 11. The City Council hereby declares its intention and reasonable expectation to use proceeds of tax-exempt bonds to reimburse itself for initial expenditures for costs of the Project, in an amount not to exceed $4,700,000. The Series 2015 Bonds are to be issued, and the reimbursements made, by the later of 18-months after the payment of the costs or after the Project is placed in service, but in any event, no later than three years after the date the original expenditure was made.

Section 12. The Issuer hereby reserves the right to opt not to issue the Series 2015 Bonds for any reason, including without limitation, consideration of the opinions expressed at the public hearing.

Section 13. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

PASSED, ADOPTED AND APPROVED this January 28, 2015.

HERRIMAN CITY, UTAH

(SEAL)

_____

Mayor

ATTEST:

_____

City Recorder

(Here follows business not pertinent to the above.)

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

(SEAL)

_____
Mayor

ATTEST:

_____
City Recorder

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

I, Jackie Nostrom, the duly appointed and qualified City Recorder of Herriman City, Utah (the "City"), does hereby certify according to the records of the City Council of the City (the "City Council") in my official possession that the foregoing constitutes a true and correct excerpt of the minutes of the meeting of the City Council held on January 28, 2015, including a resolution (the "Resolution") adopted at said meeting as said minutes and Resolution are officially of record in my possession.

I further certify that the Resolution, with all exhibits attached, was deposited in my office on January 28, 2015, and pursuant to the Resolution, there will be published a Notice of Public Hearing and Bonds to be Issued no less than fourteen (14) days before the public hearing date: (a) one time each week for two consecutive weeks in the Salt Lake Tribune, a newspaper having general circulation within the City, the affidavit of which publication is hereby attached, (b) on the Utah Public Notice Website created under Section 63F-1-701, Utah Code Annotated 1953, as amended and (c) on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said City, this January 28, 2015.

(SEAL)

By:_____
City Recorder

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

I, Jackie Nostrom, the undersigned City Recorder of Herriman City, Utah (the "City"), does hereby certify, according to the records of the City in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the January 28, 2015, public meeting held by the City Council of the City (the "City Council") as follows:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the principal offices of the City on January ___, 2015, at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting;

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to the Salt Lake Tribune on January ___, 2015, at least twenty-four (24) hours prior to the convening of the meeting; and

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

In addition, the Notice of 2015 Annual Meeting Schedule for the City Council (attached hereto as Schedule 2) was given specifying the date, time, and place of the regular meetings of the City Council to be held during the year, by causing said Notice to be (a) posted on _____, at the principal office of the City Council, (b) provided to at least one newspaper of general circulation within the City on _____, and (c) published on the Utah Public Notice Website (http://pmn.utah.gov) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this January 28, 2015.

(SEAL)

By:_____
City Recorder

SCHEDULE 1

NOTICE OF MEETING

SCHEDULE 2

ANNUAL MEETING SCHEDULE

(attach Proof of Publication of
Notice of Bonds to be Issued)

EXHIBIT B

INDENTURE

(See Transcript Document Nos. __ and __)

TENTH SUPPLEMENTAL INDENTURE OF TRUST

Dated as of _____, 2015

by and between

HERRIMAN CITY, UTAH

and

ZIONS FIRST NATIONAL BANK,
as Trustee

Supplementing the Amended and Restated
General Indenture of Trust
Dated as of July 1, 2005

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TENTH SUPPLEMENTAL INDENTURE OF TRUST

This Tenth Supplemental Indenture of Trust, dated as of _____, 2015, by and between Herriman City, Utah, a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah (the "Issuer") and Zions First National Bank, a national banking association duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts and having its principal office in Salt Lake City, Utah (the "Trustee");

W I T N E S S E T H:

WHEREAS, the Issuer has entered into an Amended and Restated General Indenture of Trust, dated as of July 1, 2005 (the "General Indenture") with the Trustee; and

WHEREAS, the Issuer desires to issue a series of bonds to finance the construction of a water storage tank and related improvements (hereinafter referred to as the "Project"); and

WHEREAS to finance (a) the costs of acquiring, constructing, and installing the Project and (b) the costs of issuance of the Series 2015 Bonds herein authorized, the Issuer has determined to issue its Water Revenue Bonds, Series 2015 in the aggregate principal amount of not to exceed $_____ (the "Series 2015 Bonds"); and

WHEREAS, the State of Utah acting through the Department of Environmental Quality, Drinking Water Board (the "Drinking Water Board") has agreed to purchase the Series 2015 Bonds upon the terms and conditions herein set forth; and

WHEREAS, the Series 2015 Bonds will be authorized, issued and secured under the General Indenture, as amended and supplemented by this Tenth Supplemental Indenture of Trust (the "Tenth Supplemental Indenture," and collectively with the General Indenture, and any amendments thereto or hereto, the "Indenture"); and

WHEREAS, the execution and delivery of the Series 2015 Bonds and of this Tenth Supplemental Indenture have in all respects been duly authorized and all things necessary to make the Series 2015 Bonds, when executed by the Issuer and authenticated by the Trustee, the valid and binding legal obligations of the Issuer and to make this Tenth Supplemental Indenture a valid and binding agreement have been done;

NOW, THEREFORE, THIS TENTH SUPPLEMENTAL INDENTURE OF TRUST WITNESSETH, that to secure the Series 2015 Bonds and all other Bonds Outstanding and Additional Bonds issued and Outstanding under the Indenture, the payment of the principal or redemption price thereof and interest thereon, the rights of the Registered Owners of the Bonds, to secure the Security Instrument Issuers of Security Instruments for any Bonds, and of all Reserve Instrument Providers of Reserve Instruments for any Bonds, and the performance of all of the covenants contained in such Bonds and herein, and for and in consideration of the mutual covenants herein contained and of the purchase of such Bonds by the Registered Owners thereof from time to time

and the issuance of the Reserve Instrument by the Reserve Instrument Provider, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer has executed and delivered this Tenth Supplemental Indenture of Trust, and by these presents does, in confirmation of the General Indenture, as amended and supplemented, hereby sell, assign, transfer, set over and pledge unto Zions First National Bank, as Trustee, its successors in trusts and its assigns forever, to the extent provided in the General Indenture, as amended and supplemented, all right, title and interest of the Issuer in and to (i) the Net Revenues (as defined in the General Indenture), (ii) all moneys in funds and accounts held by the Trustee under the General Indenture and hereunder (except the Rebate Fund), and (iii) all other rights granted under the General Indenture and hereinafter granted for the further securing of such Bonds.

TO HAVE AND TO HOLD THE SAME unto the Trustee and its successors in trust hereby created and its and their assigns forever;

IN TRUST, NEVERTHELESS, FIRST, for the equal and ratable benefit and security of all present and future Registered Owners of Bonds and Security Instrument Issuers of Security Instrument for any Bonds without preference, priority, or distinction as to lien or otherwise (except as otherwise specifically provided), of any one Bond over any other Bond, and SECOND, for the equal and proportionate benefit, security and protection of all Reserve Instrument Providers, without privilege, priority or distinction as to the lien or otherwise of any Reserve Instrument Repayment Obligation over any of the others by reason of time of issuance, delivery or expiration thereof or otherwise for any cause whatsoever.

ARTICLE I

SUPPLEMENTAL INDENTURE; DEFINITIONS

Section 1.1. Supplemental Indenture. This Tenth Supplemental Indenture is supplemental to, and is executed in accordance with and pursuant to Articles II and IX of the General Indenture.

Section 1.2. Definitions. All terms which are defined in the General Indenture, shall have the meanings, respectively, when used herein (including the use thereof in the recitals and the granting clauses thereof) unless expressly given a different meaning or unless the context clearly otherwise requires. All terms used herein which are defined in the recitals hereto shall have the meanings therein given to the same unless the context requires otherwise and, in addition, the following terms shall have the meanings specified below:

"Authorized Representatives" means the Mayor, Finance Director, City Recorder or any other officer of the Issuer so designated in writing by the Issuer to the Trustee.

"Dated Date" means, with respect to the Series 2015 Bonds, the date of their initial delivery.

"Drinking Water Board" means the State of Utah, Department of Environmental Quality, Drinking Water Board, or any successor thereof.

"Exchange Bonds" means the fully registered Series 2015 Bonds issued in substantially the form set forth in Exhibit A-2 in exchange for the State Bonds representing the Series 2015 Bonds or in exchange for other Exchange Bonds, in the denomination of $1,000 or any integral multiple thereof.

"Outstanding Prior Bonds" means, collectively, the Issuer's Series 2003 Bonds, Series 2007 Bonds and Series 2011 Bonds.

"Project" means construction of water storage tank and related improvements.

"Register" means the record of ownership of the Series 2015 Bonds maintained by the Registrar.

"Series 2003 Bonds" means the Issuer's Water Bonds, Series 2003 originally issued in the aggregate principal amount of $3,600,000.

"Series 2007 Bonds" means the Issuer's Water Revenue and Refunding Bonds, Series 2007 originally issued in the aggregate principal amount of $9,780,000.

"Series 2011 Bonds" means the Issuer's Water Bonds, Series 2011 originally issued in the aggregate principal amount of $6,585,000

"Series 2015 Bonds" means, the Series 2015 Bonds.

"Series 2015 Bonds" means the Herriman, Utah Water Revenue Bonds, Series 2015 issued in the principal amount of $_____.

"Series 2015 Acquisition/Construction Account" means the account established within the Construction Fund under the General Indenture held in trust by the Trustee.

"Series 2015 Debt Service Reserve Account" means the account established within the Debt Service Reserve Fund under the General Indenture held in trust by the Trustee.

"Series 2015 Debt Service Reserve Requirement" means with respect to the Series 2015 Bonds, the amount of $_____.

"State Bonds" means the fully registered Series 2015 Bonds issued in substantially the form set forth in Exhibit A-1 in the denominations equal to the aggregate principal amount of each such Series of Bonds.

ARTICLE II

ISSUANCE OF THE SERIES 2015 BONDS

Section 2.1. Principal Amount, Designation and Series. The Series 2015 Bonds are hereby authorized for issuance under the Indenture for the purpose of providing funds to (a) finance the costs of acquiring, constructing, and installing the Project, and (b) paying costs of issuance of the Series 2015 Bonds. The Series 2015 Bonds shall be limited to $_____ in aggregate principal amount, shall be issued, (i) if issued as a State Bond, in the form set forth in Exhibit A-1, and (ii) if issued as Exchange Bonds, in the form set forth in Exhibit A-2, in fully registered form, shall bear no interest on the unpaid balance of the total principal sum and shall be payable as specified herein. If issued as Exchange Bonds, the Series 2015 Bonds shall be in the denomination of $1,000 or any integral multiple thereof. The Series 2015 Bonds shall be numbered from one (1) consecutively upward in order of delivery by the Registrar. The Series 2015 Bonds shall be designated as, and shall be distinguished from the Bonds of all other series by the title, "Water Revenue Bonds, Series 2015."

Payments on the Series 2015 Bonds which are delinquent from the due date thereof shall draw interest at the rate of eighteen percent (18%) per annum on the delinquent payment from said due date until paid in full.

The Series 2015 Bonds are issued on a parity with the Issuer's Outstanding Prior Bonds, such that payment of the principal on the Series 2015 Bonds and the Outstanding Bonds are secured by an equal lien pledge of the Net Revenues of the Issuer's System, which pledge is on a parity and equal to the pledge of the Outstanding Prior Bonds.

Section 2.2. Advances of Proceeds. On or before fifteen (15) days prior to the first day of each calendar quarter beginning prior to the payment by the Issuer of costs of construction of the Project, or at such other time as shall be specified by the Drinking Water Board, the Issuer shall provide to the Drinking Water Board a certificate setting forth a schedule of the costs of construction which the Issuer estimates will become due and payable by the Issuer during the next calendar quarter. Advances made by the Drinking Water Board on the basis of such certificates shall be deposited with the Trustee. Upon receipt of evidence of deposit of each advance with the Trustee, the [City Manager] of the Issuer shall give telephonic authorization followed by written confirmation to the Drinking Water Board to stamp or write the date and amount of such advance made by the Drinking Water Board in the appropriate place on the Certificate of Dates of Payment and Amount appearing on the State Bonds. Each advance made by the Drinking Water Board on the State Bonds shall constitute a pro-rata portion of proceeds of the State Bonds and shall be deemed to constitute the full purchase price of the corresponding principal amount of the State Bonds noted on the Certificate of Dates of Payment and Amount appearing on the State Bonds. As advances are made by the Drinking Water Board, they shall be deemed to represent principal payments in the order of their maturity.

Section 2.3. Date and Maturities. The Series 2015 Bonds shall be dated as of their date of delivery, shall be in the denomination of One Thousand Dollars ($1,000) each or any integral multiple thereof and shall be paid as provided in this Section 2.3. The Series 2015 Bonds shall be initially issued as one fully registered State Bond.

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or by redemption, shall be payable upon presentation of the applicable Series 2015 Bond at the offices of the Paying Agent for endorsement or surrender, or of any successor Paying Agent.

So long as the Drinking Water Board is the Registered Owner of the State Bonds, payments on the Series 2015 Bonds shall be made by check or draft and mailed to the Drinking Water Board as the Registered Owner at the address shown on the registration books maintained by the Registrar. So long as the Drinking Water Board is the Registered Owner of the State Bond, in lieu of presentation or the surrender of the State Bond to the Paying Agent for notations by the Paying Agent of such payments, the Drinking Water Board, by its Chief of Investigations or his designee, shall endorse such payments upon the State Bond. Payment on the Series 2015 Bonds shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America.

The principal payments shall be paid on January 1 of each year, beginning January 1, 2016, as follows:

(January 1)	Principal Maturing	(January 1)	Principal Maturing
2016		2025	
2017		2026	
2018		2027	
2019		2028	
2020		2029	
2021		2030	
2022		2031	
2023		2032	
2024		2033	

If less than $_____ is advanced on the Series 2015 Bond, the repayment period shall be shortened and the number of annual principal installments shall be reduced in inverse order of principal payment (and the amount of the final remaining principal installment shall be reduced, if required) to correspond to the total principal amount of the Series 2015 Bonds.

Section 2.4. Optional Redemption and Redemption Prices. Each principal payment of the Series 2015 Bond is subject to prepayment and redemption at any time, in whole or in part (if in part, in integral multiples of $1,000), at the election of the Issuer, in inverse order of the due dates thereof, and by lot selected by the Issuer if less than all of the State Bonds of a particular due date are to be redeemed, upon notice as provided in

Section 2.5 hereof, and upon at least thirty (30) days' prior written notice of the amount of prepayment and the date scheduled for prepayment to the Drinking Water Board with respect to the State Bonds, and at a redemption price equal to 100% of the principal amount to be prepaid or redeemed.

Section 2.5. Notice of Redemption for Exchange Bonds.

(a) In the event any of the Exchange Bonds are to be redeemed, the Registrar shall cause notice to be given as provided in this Section 2.5. Notice of such redemption shall be provided by the Issuer to the Trustee at least forty-five (45) days prior to the anticipated date for redemption. Notice of such redemption shall be mailed by first class mail, postage prepaid, to all Registered Owners of Exchange Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption. Such notice shall state the following information:

(i) the complete official name of the Exchange Bonds, including series, to be redeemed, the identification numbers of the Exchange Bonds being redeemed;

(ii) any other descriptive information needed to identify accurately the Exchange Bonds being redeemed, including, but not limited to, the original issue date of such Exchange Bonds;

(iii) in the case of partial redemption of any Exchange Bonds, the respective principal amounts thereof to be redeemed;

(iv) the date of mailing of redemption notices and the redemption date;

(v) the redemption price;

(vi) that on the redemption date the redemption price will become due and payable upon each such Exchange Bond or portion thereof called for redemption; and

(vii) the place where such Exchange Bonds are to be surrendered for payment of the redemption price, designating the name and address of the redemption agent with the name of a contact person and telephone number.

(b) Upon the payment of the redemption price of Exchange Bonds being redeemed, each check or other transfer of funds issued for such purpose shall identify the Exchange Bonds being redeemed with the proceeds of such check or other transfer.

(c) The Registrar shall not give notice of such a redemption until there are on deposit with the Paying Agent sufficient funds for the payment of the redemption price.

Notice of redemption shall be given, not more than forty-five (45) days nor less than thirty (30) days prior to the redemption date, to Registered Owners of the Exchange Bonds, or portions thereof, to be redeemed. A second notice of redemption shall be given, not later than ninety (90) days subsequent to the redemption date, to Registered Owners of Exchange Bonds or portions thereof redeemed but who failed to deliver Series 2015 Bonds for redemption prior to the 60th day following such redemption date. Any notice mailed shall be conclusively presumed to have been duly given whether or not the Registered Owner of such Series 2015 Bonds receives the notice. Receipt of such notice shall not be a condition precedent to such redemption, and failure so to receive any such notice by any of such Registered Owners shall not affect the validity of the proceedings for the redemption of the Series 2015 Bonds.

In case any Exchange Bond is to be redeemed in part only, the notice of redemption which relates to such Exchange Bond shall state also that on or after the redemption date, upon surrender of such Series 2015 Bond, a new Series 2015 Bond in principal amount equal to the unredeemed portion of such Series 2015 Bond will be issued.

Section 2.6. Delivery of Bonds. It is hereby determined that the Series 2015 Bonds shall be authenticated and delivered to the Drinking Water Board on such date upon which the Mayor and the Drinking Water Board shall mutually agree.

Section 2.7. Delinquent Payment. Payments on the Series 2015 Bonds which are delinquent from the due date thereof shall draw interest at the rate of eighteen percent (18%) per annum on the delinquent payment from said due date until paid in full.

Section 2.8. Exchange of State Bonds. As long as the Drinking Water Board is the sole Registered Owner of the Series 2015 Bonds, the Series 2015 Bonds shall be issued only as the State Bonds in the form prescribed in Exhibit A-1. It is recognized that the Drinking Water Board may sell or otherwise transfer the Series 2015 Bonds pursuant to the provisions of the State Financing Consolidation Act, Title 63, Chapter 65, Utah Code Annotated 1953, as amended, or otherwise. In the event the Drinking Water Board determines to sell or otherwise transfer all or a portion of the Series 2015 Bonds pursuant to the State Financing Consolidation Act, or otherwise, the State Bonds shall be exchanged at the office of the Paying Agent for a like aggregate principal amount of Exchange Bonds in accordance with the provisions of this Section 2.8. Any Series 2015 Bond, or any portion thereof, which is sold or otherwise transferred or liquidated by the Drinking Water Board pursuant to the State Financing Consolidation Act, or otherwise, shall be in the form of an Exchange Bond prescribed in Exhibit A-2, 2 and shall be executed pursuant to authorization contained in Section 2.3 of the General Indenture. Each principal payment on the State Bonds not previously paid or canceled shall be represented by an equivalent principal amount of Exchange Bonds, in authorized

denominations, and of like maturity. The Issuer and its officers shall execute and deliver such documents and perform such acts as may reasonably be required by the Issuer to accomplish the exchange of the State Bonds for Exchange Bonds, provided that the Drinking Water Board shall pay or cause to be paid all costs and other charges incident to such exchange and the Issuer shall have no obligation to pay any such costs or charges.

Section 2.9. The Series 2015 Bonds Constitute Special Limited Obligations. Notwithstanding anything in this Indenture elsewhere contained, the principal and interest, if any, on the Series 2015 Bonds shall be payable out of 100% of the Net Revenues, and in no event shall the Series 2015 Bonds be deemed or construed to be a general indebtedness of the Issuer or payable from any funds of the Issuer other than those derived from the operation of the System.

The Issuer may, in its sole discretion, but without obligation and subject to the Constitution, laws, and budgetary requirements of the State of Utah, make available properly budgeted and legally available funds to defray any insufficiency of Revenues to pay the Series 2015 Bonds; provided, however, the Issuer has not covenanted and cannot covenant to make said funds available and has not pledged any of such funds for such purpose.

Section 2.10. Designation of Registrar. Zions First National Bank, One South Main Street, 12th Floor, Salt Lake City, Utah 84133 is hereby designated as Registrar for the Series 2015 Bonds, acceptance of which appointment shall be evidenced by execution of this Tenth Supplemental Indenture by the Registrar.

Section 2.11. Designation of Paying Agent. Zions First National Bank, One South Main Street, 12th Floor, Salt Lake City, Utah 84133 is hereby designated as Paying Agent for the Series 2015 Bonds, acceptance of which appointment shall be evidenced by execution of this Tenth Supplemental Indenture by the Paying Agent.

Section 2.12. Perfection of Security Interest.

(a) The Indenture creates a valid and binding pledge and assignment of security interest in all of the Net Revenues pledged under the Indenture in favor of the Trustee as security for payment of the Series 2015 Bonds, enforceable by the Trustee in accordance with the terms thereof.

(b) Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Section 11-14-501, Utah Code Annotated 1953, as amended, and is and shall be prior to any judicial lien hereafter imposed on the Net Revenues to enforce a judgment against the Issuer on a simple contract.

Section 2.13. Series 2015 Bonds as Additional Bonds. The Series 2015 Bonds are issued as Additional Bonds under the Indenture and are issued on parity with Bonds previously issued and Outstanding under the General Indenture, including the Outstanding Prior Bonds. The Issuer hereby certifies that the requirements set forth in

Section 2.13 of the General Indenture have been and will be complied with in connection with the issuance of the Series 2015 Bonds.

ARTICLE III

APPLICATION OF PROCEEDS AND FUNDS AND ACCOUNTS

Section 3.1. Creation of Series 2015 Subaccounts. There is hereby established with the Trustee, a Series 2015 Acquisition/Construction Account within the Acquisition/Construction Fund and a Series 2015 Debt Service Reserve Account within the Debt Service Reserve Fund created in Article III of the General Indenture.

So long as any of the Series 2015 Bonds herein authorized remain unpaid, the foregoing Funds or Accounts established by the General Indenture, as amended and supplemented, shall be used for no other purpose other than those required by the General Indenture, as amended and supplemented, and the Act.

Section 3.2. Application of Proceeds of the Series 2015 Bonds. The Issuer shall deliver to the Trustee the proceeds from the sale of the Series 2015 Bonds in the amount of $_____ (the initial incremental advance of $_____, less an origination fee of $_____, together with an Issuer's contribution of $_____ and the Trustee shall deposit such proceeds into the Series 2015 Acquisition/Construction Account held by the Trustee under the General Indenture, to be used to finance the costs of the Project, including costs of issuance. Subsequent incremental advances shall be applied as provided in the form of State Bonds set forth in Exhibit A-1.

Section 3.3. Disbursements from Series 2015 Acquisition/Construction Account. Disbursements of moneys in the Series 2015 Acquisition/Construction Account shall be made by requisition in accordance with the provisions of Section 5.1 of the General Indenture; provided, however, that the costs of issuance shall be disbursed as instructed in a costs of issuance disbursement request, substantially in the form attached hereto as Exhibit C, to be delivered by the Issuer to the Trustee on the delivery date of the Series 2015 Bonds. Each requisition must be approved by the Drinking Water Board as evidenced by the signature of the Executive Secretary or Assistant Executive Secretary of the Drinking Water Board before the Trustee may disburse any moneys from the Series 2015 Acquisition/Construction Account pursuant thereto.

Section 3.4. Completion of the Project. Any unexpended balance remaining in the Series 2015 Acquisition/Construction Account after completion of the Project, as evidenced by a Certificate of Completion described in Section 5.1 of the General Indenture, shall be paid immediately into the Bond Fund to be used to redeem principal installments on the Series 2015 Bonds in inverse order of principal payment. In the event the total cost of the Project exceeds the amount of proceeds of the Project available to pay said costs, the Issuer shall either (a) deposit moneys in the Series 2015 Acquisition/Construction Account sufficient to cover said deficiency or (b) reduce the scope of the Project such that the moneys on deposit in the Series 2015 Acquisition/Construction Account shall be sufficient to pay the costs of the modified Project.

Section 3.5. Debt Service Reserve Fund. For purposes of the Series 2015 Bonds, the Debt Service Reserve Requirement shall initially equal $_____ and shall be funded by the Issuer from Net Revenues of the System in not more than ten (10) equal annual installments of $_____, beginning [June 30, 2015], and every year thereafter until there shall be on deposit therein the Debt Service Reserve Requirement with respect to the Series 2015 Bonds. Said moneys shall be deposited by the Trustee in the Series 2015 Debt Service Reserve Account. Thereafter, the Issuer shall replenish the Debt Service Reserve Fund as provided in Sections 5.2(d) and 5.5 of the General Indenture.

ARTICLE IV

COVENANTS

Section 4.1. Additional Covenants With Respect to Series 2015 Bonds. The Issuer hereby covenants and agrees with each and every holder of the Series 2015 Bonds issued hereunder the following:

(a) So long as any principal installments on the Series 2015 Bonds remain outstanding, proper books of record and account will be kept by the Issuer separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Project. Each Bondholder or any duly authorized agent or agents of such holder shall have the right at all reasonable times to inspect all records, accounts, and data relating thereto and to inspect the Project and all properties constituting the Project. Except as otherwise provided herein, the Issuer further agrees that it will within one hundred eighty (180) days following the close of each fiscal year (the term "fiscal year" as used in this subsection meaning whatever 12-month period the Issuer may from time to time be using for general financial accounting purposes) cause an audit of such books and accounts to be made by an independent firm of certified public accounts, showing the receipts and disbursements for account of the Project, and that such audit will be available for inspection by each Bondholder; provided, however, during such periods of time as the Drinking Water Board is the registered holder of the Series 2015 Bonds, each such audit will be supplied to the Drinking Water Board, by the Issuer, as soon as completed without prior request therefor by the Drinking Water Board. Each such audit, in addition to whatever matters may be thought proper by the accountant to be included therein, shall include the following:

(i) A statement in detail of the income and expenditures of the System for such fiscal year;

(ii) A balance sheet as of the end of such fiscal year;

(iii) The accountant's comments regarding the manner in which the Issuer has carried out the requirements of this Tenth Supplemental Indenture, and the accountant's recommendations for any change or improvement in the operation of the System;

(iv) A list of insurance policies in force at the end of the fiscal year, setting out as to each policy, the amount of the policy, the risks covered the name of the insurer, and the expiration date of the policy;

(v) The number of parcels of property connected to the System at the end of the fiscal year;

(vi) An analysis of all funds created in the General Indenture, setting out all deposits and disbursements made during the fiscal year and the amount in each fund at the end of the fiscal year;

(vii) The number of water connections and applications for water service on hand at the end of the fiscal year;

(viii) The total billings for such fiscal year;

(ix) All schedules of rates and charges imposed for water service during the fiscal year;

(x) Notification of the withdrawal of any major system users (defined as a user paying 4% or more of the Revenues) since the last reporting date; and

(xi) Since the last reporting date, any significant plant retirements or expansions planned or undertaken.

The Drinking Water Board may, upon written request from the Issuer setting forth the reasons why a certified audit is not necessary or is impractical, waive the audit requirements for any particular fiscal year set forth in this Section 4.1(a); provided, however, that such waiver shall not apply to the reporting requirements of the Issuer set forth in Section 4.1(b).

(b) In addition to the reporting requirements set forth in Section 4.1(a) above, the Issuer shall submit to the Drinking Water Board within one hundred eighty (180) days following the close of the Issuer's fiscal year, a summary report substantially in the form as provided by the Drinking Water Board to the Issuer upon purchase of the Series 2015 Bonds.

All expenses incurred in compiling the information required by this section shall be regarded and paid as an Operation and Maintenance Expense. If the holder of the Series 2015 Bonds is other than the Drinking Water Board, the Issuer agrees to furnish a copy of such information to such Bondholder at its request after the close of each fiscal year. Any Bondholder shall have the right to discuss with the accountant compiling such information the contents thereof and to ask for such additional information as it may reasonably require.

(c) Every officer, agent, or employee of the Issuer having custody or control of any of the Revenues or of the proceeds of the Series 2015 Bonds shall be bonded by a responsible corporate surety in an amount not less than the greatest amount reasonably anticipated to be within the custody or control of such officer, agent, or employee at one time. The premiums on such surety bonds shall not be an Operation and Maintenance Expense of the System.

(d) The Issuer may consolidate the bills submitted for culinary water service with those submitted for secondary water service for those persons who are liable for the payment of charges for such services and require that each such consolidated bill be paid in full as a unit, and refuse to permit payment of one portion without payment of the remainder. Any bill not paid within thirty (30) days from the date it is mailed to the customer shall be deemed delinquent. The Issuer hereby agrees that if any water bill remains delinquent for more than sixty (60) days, it will initiate proceedings to cause all water service to the water user concerned to be cut off immediately.

(e) The Issuer shall commence and complete the acquisition and construction of the Project with all practical dispatch and will cause all construction to be effected in a sound and economical manner.

(f) The Issuer will maintain its corporate identity, will make no attempt to cause its corporate existence to be abolished, and will resist all attempts by other municipal corporations to annex all or any part of the territory now or hereafter in the Issuer or served by the System.

(g) The Issuer will provide a copy of the Trustee's annual accounting required by Section 8.13 of the General Indenture to the Drinking Water Board.

(h) The Issuer agrees, in accepting the proceeds of the Series 2015 Bonds, to comply with all applicable state and federal regulations related to the Utah State Revolving Fund administered by the Drinking Water Board. These requirements include, but are not limited to, Title XIV of the Safe Drinking Water Act of 1996, OMB Circular A-133, the Utah Federal State Revolving Fund (SRF) Program (R309-705 of the Utah Administrative Code), the Local Government Bonding Act, the Utah Money Management Act, the Utah Procurement Code, and the State of Utah Legal Compliance Audit Guide.

ARTICLE V

CONFIRMATION OF GENERAL INDENTURE

As supplemented by this Tenth Supplemental Indenture, and except as provided herein, the General Indenture is in all respects ratified and confirmed, and the General Indenture and this Tenth Supplemental Indenture shall be read, taken and construed as one and the same instrument so that all of the rights, remedies, terms, conditions, covenants and agreements of the General Indenture shall apply and remain in full force and effect with respect to this Tenth Supplemental Indenture, and to any revenues, receipts and moneys to be derived therefrom.

ARTICLE VI

MISCELLANEOUS

Section 6.1. Confirmation of Sale of Series 2015 Bonds. The sale of the Series 2015 Bonds to the Drinking Water Board is hereby ratified, confirmed and approved.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Tenth Supplemental Indenture of Trust to be executed as of the date first written above.

HERRIMAN CITY, UTAH

(SEAL)

By:_____
Mayor

COUNTERSIGN:

_____
City Recorder

ZIONS FIRST NATIONAL BANK,
as Trustee

By:_____

Title:_____

EXHIBIT A-1

FORM OF STATE BONDS—SERIES 2015 BONDS

UNITED STATES OF AMERICA
STATE OF UTAH
HERRIMAN CITY
WATER REVENUE BONDS, SERIES 2015

Number R–1 $_____

Interest Rate Original Issue Date

Herriman City, Utah (the "Issuer"), a political subdivision and body politic of the State of Utah, acknowledges itself indebted and for value received hereby promises to pay, but solely in the manner and from the revenues and sources hereinafter provided, to the Registered Owner hereof or registered assigns, last named on the Registration Certificate attached hereto, on the Payment Dates specified below, the Principal Amount set forth in the "Certificate of Dates of Payment and Amount" set forth at the end of this Bond, but in no event more than a maximum principal amount of $_____ payable on January 1st of each year (each a "Payment Date"). As each incremental advance of bond proceeds is made by the initial Registered Owner of this Bond, said amounts shall be inserted in the appropriate columns on the Certificate of Dates of Payment and Amount set forth at the end of this Bond. Principal on the Bond shall be payable by check or draft mailed by Zions First National Bank (the "Paying Agent") to the Registered Owner on each Payment Date as follows:

(January 1)	Principal Maturing	(January 1)	Principal Maturing
2016		2025	
2017		2026	
2018		2027	
2019		2028	
2020		2029	
2021		2030	
2022		2031	
2023		2032	
2024		2033	

If less than $_____ is advanced on the Series 2015 Bond, resulting in a lower Principal Amount, the repayment period shall be shortened and the number of annual principal installments shall be reduced in inverse order of principal payment (and the amount of the final remaining principal installment shall be reduced, if required) to correspond to the total Principal Amount of the Series 2015 Bonds.

Except as provided in the following paragraph, principal payments, whether at maturity or by redemption, shall be payable upon surrender of this Bond at the offices of the Paying Agent, or of any successor Paying Agent. Payments of interest on delinquent installments shall be made to the Registered Owner thereof and shall be paid by check or draft mailed to the Registered Owner thereof at his address as it appears on the registration books of the Issuer maintained by the Registrar, or at such other address as is furnished to the Registrar in writing by such Registered Owner.

As long as the State of Utah acting through the State of Utah Department of Environmental Quality, Drinking Water Board (the "Drinking Water Board") is the registered holder of this Bond, installment payments of principal shall be made by check or draft mailed to the Drinking Water Board as the registered holder at the address shown on the registration books maintained by the Registrar. So long as the Drinking Water Board is the Registered Owner of the State Bond, in lieu of presentation or the surrender of the State Bond to the Paying Agent for notations by the Paying Agent of such payments, the Drinking Water Board, by its Chief of Investigations or his designee, shall endorse such payments upon the State Bond.

If any installment payment of Bond principal is not paid when due and payable, the Issuer shall pay interest at the rate of eighteen percent (18%) per annum from said due date until paid. All payments shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America.

This Bond is payable solely from a special fund designated "Herriman City, Utah Water Revenue Bond Fund" established under a General Indenture of Trust dated as of July 1, 2005, by and between the Issuer and Zions First National Bank (the "General Indenture"), into which fund and into a reserve therefor, to the extent necessary to assure prompt payment of this Bond, shall be pledged 100% of the Net Revenues (as defined in the Indenture herein described) derived and to be derived from the operation of the Issuer's water system (the "System"), all as more fully described and provided in the General Indenture and a Tenth Supplemental Indenture of Trust dated as of _____, 2015, by and between the Issuer and Zions First National Bank, approved at meetings of the City Council of the Issuer on January 28, 2015 (the "Tenth Supplemental Indenture" and together with the General Indenture, the "Indenture").

The Series 2015 Bonds are hereby authorized for issuance under the Indenture for the purpose of providing funds to finance (a) the costs of acquiring, constructing, and installing the Project and (b) the costs of issuance of the Series 2015 Bonds.

This Bond is issued pursuant to (a) the Indenture and (b) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated, 1953, as amended, for the

purpose of financing a water storage tank and related improvements to the System. This Bond is a special limited obligation of the Issuer payable solely from the Net Revenues (as defined in the Indenture) of the System and does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Revenues of the System.

This Bond is secured by a pledge of the Net Revenues of the System, and is issued on a parity with the Issuer's Outstanding Water Bonds, Series 2003 originally issued in the aggregate principal amount of $3,600,000, Water Revenue and Refunding Bonds, Series 2007 originally issued in the aggregate principal amount of $9,780,000 and Water Bonds, Series 2011 originally issued in the aggregate principal amount of $6,585,000.

As provided in the Indenture, bonds, notes, and other obligations may be issued from time to time in one or more series in various principal amounts, may mature at different times, may bear interest at different rates, and may otherwise vary as provided in the Indenture, and the aggregate principal amount of such bonds, notes, and other obligations which may be issued is not limited. This Bond and all other bonds, notes, and other obligations issued and to be issued under the Indenture on a parity with this Bond are and will be equally and ratably secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in or pursuant to the Indenture.

The issuance of this Bond shall not, directly, indirectly, or contingently, obligate the Issuer or any agency, instrumentality, or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for its payment.

This Bond is subject to prepayment and redemption at any time, in whole or in part (if in part, in integral multiples of $1,000), at the election of the Issuer in inverse order of the due date of the principal installments hereof and by lot selected by the Issuer if less than all Bonds of a particular due date are to be redeemed, upon notice given as hereinafter set forth, at a redemption price equal to the principal amount to be so prepaid.

Notice of redemption shall be mailed by the Trustee, postage prepaid, not less than thirty (30) days prior to the date fixed for prepayment, to the registered owner of this Bond addressed to such owner at its address appearing on the registration books maintained by the Registrar.

Subject to the provisions of the Indenture, the Bonds are issuable in fully registered form, without coupons, in denomination equal to the principal amount of the bonds or, upon exchange, in the denomination of $1,000 and any integral multiple thereof.

The Issuer covenants and agrees that it will fix rates for water service sufficient to pay when due this Bond and the principal and interest on all bonds issued on a priority to or parity with this Bond, if any, as the same fall due, provided such rates must be reasonable rates for the type, kind, and character of the service rendered, and will collect

and account for the Revenues (as defined in the Indenture) to be received for such service, and will set aside one hundred percent (100%) of the Net Revenues of the System to pay this Bond according to the payment terms hereinabove set forth and the principal and interest on all bonds issued on a parity with this Bond, if any.

To the extent and in the respects permitted by the Indenture, the Indenture may be modified or amended by action on behalf of the Issuer taken in the manner and subject to the conditions and exceptions prescribed in the Indenture. The holder or owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the pledge or covenants made therein or to take any action with respect to an event of default under the Indenture or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

This Bond shall be registered in the name of the initial purchaser and any subsequent purchasers in an appropriate book in the office of the Trustee, who shall be the Registrar. This Bond is transferable only by notation upon said book by the registered owner hereof in person or by his attorney duly authorized in writing, by the surrender of this Bond, together with a written instrument of transfer satisfactory to the Issuer, duly executed by the registered owner or his attorney duly authorized in writing; thereupon, this Bond shall be delivered to and registered in the name of the transferee.

It is hereby declared that all acts, conditions, and things required to exist, happen, and be performed precedent to and in the issuance of this Bond have existed, have happened, and have been performed in regular and due time, form, and manner as required by law, that the amount of this Bond does not exceed any limitation prescribed by the Constitution or statutes of the State of Utah, that the Net Revenues (as defined in the Indenture) to be derived from the operation of the System have been pledged and that an amount therefrom will be set aside into a special fund by the Issuer sufficient for the prompt payment of this Bond, and all bonds issued on a parity with this Bond, if any, and that said Net Revenues are not pledged, hypothecated, or anticipated in any way other than by the issue of this Bond and all bonds issued on a parity with this Bond, if any.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication on this Bond shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by its Mayor and countersigned by its City Recorder under the corporate seal of said Issuer this _____, 2015.

(SEAL)

/s/(manual or facsimile signature)
Mayor

COUNTERSIGN:

/s/(manual or facsimile signature)
City Recorder

CERTIFICATE OF AUTHENTICATION

This Bond is the Series 2015 Bond described in the within mentioned Indenture.

ZIONS FIRST NATIONAL BANK, as Trustee

By:_____
Authorized Officer

Date of Authentication:_____

REGISTRATION CERTIFICATE

(No writing to be placed herein except by
the Bond Registrar)

Date of Registration	Name of Registered Owner	Signature of Bond Registrar
_____	State of Utah Department of Environmental Quality, Drinking Water Board	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

CERTIFICATE OF DATES OF PAYMENT AND AMOUNT

The undersigned authorized representative of the State of Utah Department of Environmental Quality, Drinking Water Board (the "Drinking Water Board"), hereby certifies that the Drinking Water Board has received written authorization from the Issuer to stamp or write the amount or amounts indicated below on the date or dates set forth opposite such amount(s); that the amount last inserted under the column "Total Principal Sum" is the total amount received by the Issuer for the issuance of this Bond, and that the amount last inserted under the column "Aggregate Principal Amount" is the total principal amount of this Bond to be repaid by the Issuer. The undersigned has placed his/her signature in the space provided opposite such amount(s) to evidence the same.

Amount of Payment	Date of Payment	Total Principal Sum	Aggregate Principal Amount	Drinking Water Board Representative Signature
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____
$_____	_____	$_____	$_____	_____

EXHIBIT A-2

FORM OF EXCHANGE BOND—SERIES 2015

UNITED STATES OF AMERICA
STATE OF UTAH
COUNTY OF UTAH
HERRIMAN CITY
WATER REVENUE BONDS, SERIES 2015

Interest Rate	Maturity Date	Issue Date

Registered Owner:

Principal Amount: _____ DOLLARS

Herriman City, Utah (the "Issuer"), a political subdivision and body politic of the State of Utah, acknowledges itself indebted and for value received hereby promises to pay, but solely in the manner and from the revenues and sources hereinafter provided, to the Registered Owner identified above, or registered assigns, on the Maturity Date specified above, upon presentation and surrender thereof, the Principal Amount identified above. Principal and redemption price of this Bond shall be payable upon presentation of this Bond to Zions First National Bank, Salt Lake City, Utah ("Paying Agent"), or its successor as such paying agent, for payment at maturity. Principal on the Bond shall be payable by check or draft mailed by Zions First National Bank (the "Paying Agent") to the Registered Owner.

If this Bond is not paid when due and payable, the Issuer shall pay interest on the unpaid amount at the rate of eighteen percent (18%) per annum from the due date thereof until paid in full.

This Bond is issued on a parity with the Issuer's outstanding Water Bonds, Series 2003 originally issued in the aggregate principal amount of $3,600,000, Water Revenue and Refunding Bonds, Series 2007 originally issued in the aggregate principal amount of $9,780,000 and Water Bonds, Series 2011 originally issued in the aggregate principal amount of $6,585,000

This Bond is one of an authorized issue of bonds of like date, term, and effect except as to maturity, in the aggregate principal amount of _____ Dollars ($_____), issued in exchange for the conversion of the Issuer's Water Revenue Bonds, Series 2015 dated _____, 2015, in the Total Principal Sum of $_____, authorized by a General Indenture of Trust dated July 1, 2005, as previously supplemented, and as supplemented by a Tenth Supplemental Indenture of Trust, dated as of _____, 2015 (collectively, the "Indenture"). This Bond and the

issue of Bonds of which it is a part is issued pursuant to (a) the Indenture and (b) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated, 1953, as amended, for the purpose of financing the cost of constructing improvements to the Issuer's water System. This Bond is a special limited obligation of the Issuer payable solely from the Net Revenues (as defined in the Indenture) of the System and does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Revenues of the System.

As provided in the Indenture, bonds, notes, and other obligations may be issued from time to time in one or more series in various principal amounts, may mature at different times, may bear interest at different rates, and may otherwise vary as provided in the Indenture, and the aggregate principal amount of such bonds, notes, and other obligations which may be issued is not limited. This Bond and all other bonds, notes, and other obligations issued and to be issued under the Indenture on a parity with this Bond are and will be equally and ratably secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in or pursuant to the Indenture.

The issuance of this Bond shall not, directly, indirectly, or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for its payment.

The Bonds are subject to redemption prior to maturity at any time, in whole or in part (if in part, in integral multiples of $1,000), at the election of the Issuer in inverse order of maturity and by lot within each maturity if less than the full amount is redeemed, upon not less than thirty (30) days' nor more than forty-five (45) days' prior notice, at a redemption price equal to 100% of the principal amount of each Bond to be redeemed. Notice of redemption shall be mailed by the Trustee, postage prepaid, to the registered owners of said Bonds addressed to such owners at their address appearing on the registration books maintained by the Registrar.

Subject to the provisions of the Indenture, the Series 2015 Bonds (as defined in the Indenture) are issuable in fully registered form, without coupons, in denomination equal to the principal amount of the bonds or, upon exchange, in the denomination of $1,000 or any integral multiple thereof.

The Issuer covenants and agrees that it will fix rates for water service sufficient to pay this Bond when due, and principal and interest on all bonds issued on a priority to or parity with this Bond, if any, as the same fall due, provided such rates must be reasonable rates for the type, kind, and character of the service rendered, and will collect and account for the Revenues (as defined in the Indenture) to be received for such service, and will set aside one hundred percent (100%) of the Net Revenues of the System (as defined in the Indenture) to pay this Bond according to the payment terms hereinabove set forth and the principal and interest on all bonds issued on a parity with this Bond, if any.

To the extent and in the respects permitted by the Indenture, the Indenture may be modified or amended by action on behalf of the Issuer taken in the manner and subject to the conditions and exceptions prescribed in the Indenture. The Registered Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the pledge or covenants made therein or to take any action with respect to an event of default under the Indenture or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

This Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the office of the Trustee (the "Registrar") but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

It is hereby certified, recited, and declared that all conditions, acts, and things essential to the validity of this Bond and the issue of which it forms a part do exist, have happened, and have been done, and that every requirement of law affecting the issue hereof has been duly complied with; that this Bond and the issue of which it forms a part does not exceed any limitation prescribed by the Constitution and laws of the State of Utah; that one hundred percent (100%) of the Net Revenues to be derived from the operation of the System, including any future improvements, additions, and extensions thereto, have been pledged and will be set aside into said special fund by the Issuer to be used for the payment of this Bond and the issue of which it forms a part, and all bonds issued on a parity with this Bond, if any, and that said Net Revenues of the System are not pledged, hypothecated, or anticipated in any way other than by the issue of Series 2015 Bonds of which this Bond is one and all bonds issued on a parity with this Bond, if any.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication on this Bond shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by its Mayor and countersigned by its City Recorder with the seal of said Issuer affixed, all as of _____, 20__.

(SEAL)

By: /s/(manual or facsimile signature)
Mayor

COUNTERSIGN:

By: /s/(manual or facsimile signature)
City Recorder

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Water Revenue Bonds, Series 2015 of Herriman City, Utah.

ZIONS FIRST NATIONAL BANK, as Trustee

By:_____
Authorized Officer

Date of Authentication:_____

ASSIGNMENT

FOR VALUE RECEIVED, , the undersigned sells, assigns, and transfers unto:

_____

(Social Security or Other Identifying Number of Assignee)

_____

(Please Print or Typewrite Name and Address of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney for registration thereof, with full power of substitution in the premises.

DATED:

Signature:_____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular without alteration or enlargement or any change whatever.

Signature Guaranteed:

_____

NOTICE: The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to S.E.C. Rule 17Ad-15.

EXHIBIT B

COST OF ISSUANCE DISBURSEMENT REQUEST

Zions First National Bank
One South Main Street, 12th Floor
Salt Lake City, Utah 84133

Pursuant to Section 3.3 of the Tenth Supplemental Indenture of Trust dated as of _____, 2015, you are hereby authorized to pay to the following costs of issuance from the Acquisition/Construction Account:

(See Attached Schedule)

_____
AUTHORIZED REPRESENTATIVE,
HERRIMAN CITY, UTAH

STATE OF UTAH DEPARTMENT OF
ENVIRONMENTAL QUALITY,
DRINKING WATER BOARD

By:_____
Its:_____

Costs of Issuance

Payee	Purpose	Amount

HERRIMAN CITY

Mayor and Council

Monthly Financial Summary

Attached is the January financial report, all of the figures are through December 31, 2014. I have presented the information in summary format, please contact me with any questions or concerns.

General Fund

The general fund has revenues exceeding expenditures through December 31, 2014 in the amount of $1,778,252, this represents an increase in fund balance. This increase is a temporary condition as many of our budgeted expenditures will happen in the spring. Our budget actually calls for us to use $619,817 of fund balance.

Street Light Fund, Street Sign Fund and Herriman CDA/SAA

Each of these funds have had revenues in excess of the budgeted amounts and corresponding expenditures have also exceeded budget. We will need to amend the budget to address these additional revenues.

Water Fund

The revenue from the Bond Anticipation Note and the corresponding Pump Station Construction were not budgeted. Although it is clear that the council intended these projects to go forward by approving the loan, the budget was not amended to reflect that.

In an upcoming meeting I will bring a budget amendment to correct these issues.

Alan W Rae
Director of Finance

13011 S. Pioneer Street • Herriman, Utah 84096
(801) 446-5323 office • (801) 446-5324 fax • herriman.org

GENERAL FUND

	12/31/2014	Budget	% of Budget
REVENUE			
TAXES			
Property Tax	528,089	525,481	100.50%
Sales & Use Tax	1,436,067	2,780,205	51.65%
Franchise Tax	687,732	1,407,378	48.87%
	2,651,888	4,713,064.00	56.27%
LICENSES & PERMITS			
Business Licenses and Permit	23,566	53,310	44.21%
Building & Development Revenue	2,213,273	3,789,033	58.41%
	2,236,839	3,842,343	58.22%
INTERGOVERNMENTAL REVENUE			
Class "C" Road Fund Allotm	382,233	845,000	45.23%
Other Intergovernmental Revenue	20,985	26,380	79.55%
	403,218	871,380.00	46.27%
OTHER REVENUE			
Parks/Rec Special Service District Fees	253,238	478,121	52.97%
Courts	75,801	110,000	68.91%
Sales of Fixed Assets	395,196	300,000	131.73%
Miscellaneous Revenue	120,899	540,250	22.38%
	845,133	1,428,371	59.17%
TOTAL GENERAL FUND REVENUE	6,137,078	10,855,158	56.54%
EXPENDITURES			
Governmental Activities			
Administration	871,867	1,785,291	48.84%
Courts	73,585	159,292	46.19%
Human Resources	95,521	332,725	28.71%
Operations			
Facilities	174,712	379,140	46.08%
Enforcement/Emergency	85,995	220,393	39.02%
Fleet Management	88,979	217,912	40.83%
Streets	586,398	1,643,895	35.67%
Events	255,581	674,360	37.90%
Parks & Cemetery	700,025	1,915,481	36.55%
Planning & Development			
Building	241,547	629,535	38.37%
Economic Development	31,922	99,757	32.00%
Engineering	425,887	862,865	49.36%
IT/GIS	336,618	946,586	35.56%
Planning	199,886	454,742	43.96%
Debt Service	190,304	195,151	97.52%
Transfers	-	875,000	0.00%
TOTAL GENERAL FUND EXPENDITURES	4,358,827	11,392,125	38.26%
CHANGE IN FUND BALANCE	1,778,252		

	12/31/2014	Budget	% of Budget
PARK IMPACT FEE FUND			
Revenue	361,545	1,102,885	32.78%
Expenditures	380,626	1,102,885	34.51%
Change in Fund Balance	(19,081)		
STORM DRAIN IMPACT FEE FUND			
Revenue	193,332	300,000	64.44%
Expenditures	127,256	300,000	42.42%
Change in Fund Balance	66,076		
ROAD IMPACT FEE FUND			
Revenue	837,571	1,050,800	79.71%
Expenditures	862,448	1,050,800	82.08%
Change in Fund Balance	(24,877)		
NEW DEVELOPMENT STREET LIGHTS			
Revenue	233,200	135,000	172.74%
Expenditures	306,382	132,000	232.11%
Change in Fund Balance	(73,182)		
PUBLIC SAFETY FUND			
Revenue	-	-	#DIV/0!
Expenditures	5,821	-	#DIV/0!
Change in Fund Balance	(5,821)		
NEW DEVELOPMENT STREET SIGNS			
Revenue	36,350	30,000	121.17%
Expenditures	38,699	25,000	154.80%
Change in Fund Balance	(2,349)		
HERRIMAN PARKWAY			
Revenue	250,000	-	#DIV/0!
Expenditures	-	-	#DIV/0!
Change in Fund Balance	250,000		
HERRIMAN CDA/SAA			
Revenue	2,060,150	1,596,533	129.04%
Expenditures	1,368,309	735,000	186.16%
Change in Fund Balance	691,841		
CAPITAL PROJECTS			
Revenue	175,207	1,250,000	14.02%
Expenditures	1,269,305	2,075,000	61.17%
Change in Fund Balance	(1,094,099)		

WATER FUND

	12/31/2014	Budget	% of Budget
REVENUE			
Operating Income			
Water Sales	3,637,438	5,476,926	66.41%
Secondary Water Sales	226,887	225,000	100.84%
Connection Fees	114,575	150,000	76.38%
Other Operating Income	113,492	154,250	73.58%
Total Operating Income	4,092,392	6,006,176	68.14%
Operating Expenses			
Administration	2,932,028	590,939	496.16%
Maintenance	1,519,004	3,619,623	41.97%
Blue Stakes	31,661	42,636	74.26%
Secondary Water	166,234	311,654	53.34%
Total Operating Expenses	4,648,927	4,564,852	101.84%
Total Income from Operations	(556,535)	1,441,324	-38.61%
Non-Operating Revenue	4,594,950	2,784,400	165.02%
Non-Operating Expenses	2,170,970	3,875,724	56.01%
Total Income or (Expense)	1,867,445		