AMERICAN FORK CITY COUNCIL
MARCH 19, 2015
NOTICE OF WORK SESSION, SPECIAL SESSION & AGENDA

Notice is hereby given that the American Fork City Council will meet in a Work Session and a Special Session on Thursday, March 19, 2015, in the American Fork City Offices, 51 East Main Street, commencing at 3:30 p.m. The agenda shall be as follows:

WORK SESSION

The purpose of City Work Sessions is to prepare the City Council for upcoming agenda items on future City Council Meetings. The Work Session is not an action item meeting. No one attending the meeting should rely on any discussion or any perceived consensus as action or authorization. These come only from the City Council Meeting.

1. Discussion of a Resolution of the City Council of American Fork City, Utah authorizing the issuance and sale of not more than $7,500,000 aggregate principal amount of General Obligation Refunding Bonds, Series 2015; and related matters. – *Preston Kirk*
2. Discussion of a Mobile Food Business Ordinance. – *Audra Sorensen*
3. Adjournment to a Special Session.

SPECIAL SESSION

1. Consideration and action on entering into an Executive Session regarding negotiations. – *Mayor Hadfield*
2. Adjournment

Richard M. Colborn
City Recorder

CITY COUNCIL STUDY ITEM

City of American Fork
COUNCIL WORK SESSION
March 19, 2015

Department Administration – Finance Director Approval _____

STUDY ITEM Refunding 2007 $8,250,000 Secondary Irrigation GO Bonds by issuing 2015 $6,880,000 General obligation bonds.

SUMMARY RECOMMENDATION Finance officer recommends approval of the Refunding 2015 general obligation bonds.

BACKGROUND The 2007 secondary irrigation bonds were issued for $8,250,000 at an average interest rate of 4.63%. The callable date of the bonds is currently set at March 1, 2017.

Preston Kirk with George K. Baum has indicated that the City has an option of refunding these bonds at an estimate interest rate of 2.836%. The proceeds would be invested in the PTIF (Public treasurer investment fund) until the bonds are able to be refunded in 2017. It is believed this action will hedge against the possible increasing interest rate between now and 2017. The new debt service amount in the proposed refunding will be $6,880,000.

BUDGET IMPACT It is estimated the new refunding will save the City approximately $669,933 in net present savings over the life of the bond (an average of $42,500 per year.)

SUPPORTING DOCUMENTS Bond Analysis from George K. Baum

Ballard Spahr Draft: 3/16/15

American Fork, Utah

March 24, 2015

The City Council (the "Council") of American Fork City, Utah (the "Issuer"), met in regular public session at the regular meeting place of the Council in American Fork, Utah, on March 24, 2015, at the hour of 7:30 p.m., with the following members of the Council being present:

James H. Hadfield	Mayor
Carlton Bowen	Councilmember
Brad Frost	Councilmember
Robert Shelton	Councilmember
Jeff Shorter	Councilmember
Clark Taylor	Councilmember

Also present:

Terilyn Lurker	Deputy City Recorder

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the Deputy City Recorder presented to the Council a Certificate of Compliance with Open Meeting Law with respect to this March 24, 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 was then signed by the Mayor in open meeting and recorded by the City Recorder in the official records of American Fork City, Utah. The resolution is as follows:

AMERICAN FORK CITY, UTAH

Resolution Authorizing the
Issuance and Sale of

Not to Exceed $7,500,000
General Obligation Refunding Bonds
Series 2015

Adopted March 24, 2015

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RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF AMERICAN FORK CITY, UTAH (THE "ISSUER") AUTHORIZING THE ISSUANCE AND SALE BY THE ISSUER OF NOT MORE THAN $7,500,000 AGGREGATE PRINCIPAL AMOUNT OF ITS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2015 (THE "SERIES 2015 BONDS"); DELEGATING TO CERTAIN OFFICERS OF THE ISSUER THE AUTHORITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE SERIES 2015 BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PRESCRIBING THE FORM OF SERIES 2015 BONDS; PROVIDING FOR THE MANNER OF EXECUTION AND DELIVERY OF THE SERIES 2015 BONDS; PROVIDING HOW THE PROCEEDS OF THE SERIES 2015 BONDS WILL BE USED AND HOW PAYMENT OF THE SERIES 2015 BONDS WILL BE MADE; PROVIDING FOR THE PUBLICATION OF A NOTICE OF BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; APPROVING THE DISTRIBUTION OF AN OFFICIAL STATEMENT WITH RESPECT TO THE SERIES 2015 BONDS; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY FOR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, to achieve a debt service savings the Council desires to refund and retire certain of its currently outstanding general obligation bonds (the "Refunded Bonds"); and

WHEREAS, pursuant to the provisions of the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the "Act"), the Council is authorized to issue and desires to issue its General Obligation Refunding Bonds, Series 2015 (to be issued in one or more series and from time to time, with any other title or series designation as directed by the herein defined Terms Certificate) (the "Series 2015 Bonds") in the aggregate principal amount of not to exceed $7,500,000, to (a) refund the Refunded Bonds and (b) pay costs of issuance of the Series 2015 Bonds; and

WHEREAS, the Act provides for the publication of a Notice of Bonds to be Issued, and the Council desires to publish such a notice at this time in compliance with the Act with respect to the Series 2015 Bonds; and

WHEREAS, the Council desires to approve and authorize the preparation and use of a Preliminary Official Statement (if necessary) relating to the Series 2015 Bonds, and a Bond Purchase Agreement, and the preparation and use of any other documents deemed necessary in marketing the Series 2015 Bonds; and

WHEREAS, as permitted by Section 11-27-3 of the Act and in order to allow flexibility in setting the pricing date of the Series 2015 Bonds and to optimize debt

service savings to the Issuer, the Council desires to grant to the Designated Officers (defined herein), together with George K. Baum & Co., the Issuer's Financial Advisor, the authority to: (a) solicit and receive competitive bids from potential purchaser/underwriters of the Series 2015 Bonds and based on the aforementioned bids, to select the purchaser/underwriter of the Series 2015 Bonds; (b) approve the principal amounts, interest rates, terms, maturities, redemption features, and purchase price at which the Series 2015 Bonds shall be sold; and (c) execute a Terms Certificate setting forth the final terms of the Series 2015 Bonds, provided that such final terms do not exceed the parameters set forth in Article II of this Resolution; and

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

ARTICLE I

DEFINITIONS; AUTHORITY

1.1 Definitions. As used in this Resolution, the following terms shall have the following meanings:

"Act" means the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended.

"Bond Fund" means the fund established under Section 4.2 hereof.

"Bondowner," "Bondholder," "Owner" or "Registered Owner" means the registered owner of any Bond as shown on the registration books of the Issuer kept by the Bond Registrar.

"Bond Purchase Agreement" means that certain Bond Purchase Agreement in substantially the form of Exhibit D hereto to be entered into by the Issuer and the purchaser/underwriter, pursuant to which the Series 2015 Bonds will be sold to the purchaser/underwriter.

"Bond Registrar" means each Person appointed by the Issuer as registrar and agent for the transfer, exchange and authentication of the Series 2015 Bonds pursuant to Section 2.5 hereof. The initial Bond Registrar shall be determined by the Designated Officers as shown in the Terms Certificate.

"Business Day" means a legal business day on which banking business is transacted in the city in which the Paying Agent has its principal corporate trust office.

"City" means American Fork City, Utah.

"City Council" means, the City Council of American Fork City, acting as the governing board of American Fork City, Utah.

"City Recorder" means the City Recorder of American Fork City, Utah, or any authorized deputy thereof.

"Code" means the Internal Revenue Code of 1986, as amended.

"Continuing Disclosure Undertaking" means that certain Continuing Disclosure Undertaking to be executed by the Issuer and dated the date of issuance and delivery of the Series 2015 Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof, in substantially the form attached as Exhibit C hereto.

"Designated Officers" means any two of the following: Mayor or Mayor pro tem and City Manager or Finance Director of the Issuer.

"DTC" means The Depository Trust Company as securities depository for the Series 2015 Bonds, or its successors.

"Escrow Agent" mean the Escrow Agent as determined by the Designated Officers as shown in the Terms Certificate.

"Escrow Agreement" means the Escrow Deposit Agreement by and between the Issuer and the Escrow Agent providing for payment of the interest on and the principal and the redemption price of the Refunded Bonds through the redemption date therefor, in substantially the form attached hereto as Exhibit F.

"Escrow Account" means the Escrow Account established in the Escrow Agreement.

"Escrow Fund" means the Escrow Fund established in the Escrow Agreement.

"Government Obligations" means direct obligations of the United States of America, or other securities, the principal of and interest on which are unconditionally guaranteed by the United States of America.

"Interest Payment Date" means each March 1 and September 1, commencing as provided in the Terms Certificate.

"Issuer" means American Fork City, Utah.

"Mayor" means the Mayor or Mayor pro tem of American Fork City, Utah, at the time of execution, delivery or any other actions herein authorized or any authorized deputy thereof.

"Official Statement" means the Official Statement with respect to the Series 2015 Bonds, in substantially the form attached hereto as Exhibit E.

"Original Issue Date" means the date of delivery of the Series 2015 Bonds.

"Paying Agent" means each Person appointed by the Issuer as paying agent with respect to the Series 2015 Bonds pursuant to Section 2.5 hereof. The initial Bond Registrar shall be determined by the Designated Officers as shown in the Terms Certificate.

"Person" means natural persons, firms, partnerships, associations, corporations, trusts, public bodies and other entities.

"Private Placement" means the sale of the Series 2015 Bonds to a purchaser in a private placement that does not require use of an Official Statement.

"Public Offering" means the sale of the Series 2015 Bonds to an underwriter or purchaser in a negotiated underwriting or a competitive sale, respectfully, that requires the use of an Official Statement.

"Record Date" means (i) with respect to each Interest Payment Date, the fifteenth day immediately preceding such interest payment date, and (ii) with respect to any redemption of any Bond, such Record Date as shall be specified by the Bond Registrar in the notice of redemption, provided that such Record Date shall not be less than 15 calendar days before the mailing of such notice of redemption.

"Refunded Bonds" means the bonds so identified in the recital above, and more specifically identified in the Terms Certificate.

"Resolution" means this Resolution authorizing the issuance and sale of the Series 2015 Bonds.

"Series 2015 Bonds" means the General Obligation Refunding Bonds, Series 2015, of the Issuer authorized hereby.

"State" means the State of Utah.

"Terms Certificate" shall mean the certificate of the Issuer setting forth the final terms for the Series 2015 Bonds (within the parameters set forth herein), to be executed by the Designated Officers, in substantially the form attached hereto as Exhibit G.

"Underwriter or Purchaser" means, the underwriter or purchaser for the Series 2015 Bonds pursuant to the Bond Purchase Agreement and the Terms Certificate.

Unless the context clearly indicates to the contrary, the terms "hereby," "hereof," "hereto," "herein," "hereunder," and any similar terms as used in this Resolution, refer to this Resolution in its entirety.

1.2 Authority for Resolution. This Resolution is adopted pursuant to the Act.

ARTICLE II

AUTHORIZATION, TERMS AND ISSUANCE OF BONDS

2.1 Authorization of Bonds, Principal Amount, Designation and Series. In accordance with and subject to the terms, conditions and limitations established by the Act and in this Resolution, a series of General Obligation Refunding Bonds of the Issuer is hereby authorized to be issued in the aggregate principal amount of not to exceed $7,500,000. Such series of bonds shall be designated "American Fork City, Utah General Obligation Refunding Bonds, Series 2015." The name of the Series 2015 Bonds may be revised in the Terms Certificate. The Series 2015 Bonds may be issued in one or more series all within the parameters established hereby.

The Series 2015 Bonds shall be issued as fully registered Bonds, initially in book-entry form.

The Series 2015 Bonds shall be general obligations of the Issuer for the payment of which the full faith, credit and taxing power of the Issuer are hereby pledged, and the Issuer hereby agrees and covenants that it will annually cause to be levied a tax sufficient to pay the principal of, premium, if any, and interest on the Series 2015 Bonds as they fall due and payable, and also to constitute a sinking fund to pay the principal, premium, if any, and interest when due.

2.2 Purpose. The Series 2015 Bonds are hereby authorized to be issued for the purpose of (a) refunding the Refunded Bonds and (b) paying expenses reasonably incurred in connection with the issuance and sale of the Series 2015 bonds.

2.3 Bond Details; Delegation of Authority. (a) The Series 2015 Bonds shall mature on the date and in the principal amounts, and shall bear interest (calculated on the basis of a year of 360 days comprised of twelve 30-day months) from the Original Issue Date payable on each Interest Payment Date at the per annum rates, all as provided in the Terms Certificate.

(b) There is hereby delegated to the Designated Officers, subject to the parameters set forth in this Resolution, the power to determine the following with respect to the Series 2015 Bonds, and the Designated Officers are hereby authorized to make such determinations:

(i) the principal amount of the bonds necessary to accomplish the purpose of the Series 2015 Bonds set forth in Section 2.2 herein, including the denominations thereof; provided, however, that the aggregate principal amount of the Series 2015 Bonds shall not exceed $7,500,000;

(ii) the maturity date or dates and principal amount of each maturity of the Series 2015 Bonds to be issued; provided, however, that

the final maturity of all Series 2015 Bonds shall not be later than twenty years;

(iii) the interest rate or rates of the Series 2015 Bonds; provided, however, that the interest rate or rates to be borne by any Series 2015 Bond shall not exceed five percent (5.00%) per annum;

(iv) the sale of the Series 2015 Bonds (as more fully described in Section 2.10 hereof) to the Underwriter or Purchaser and the purchase price to be paid by the Underwriter or Purchaser for the Series 2015 Bonds; provided, however, that the discount from par of the Series 2015 Bonds shall not exceed ninety-eight percent (98%);

(v) whether the Series 2015 Bonds shall be subject to redemption prior to maturity;

(vi) the bonds to be refunded as the Refunded Bonds and any other provisions deemed advisable by the Designated Officers, not materially in conflict with the provisions of this Resolution; and

(vii) to select and determine the Paying Agent, Bond Registrar, and Escrow Agent.

Upon pricing of the Series 2015 Bonds by the Underwriter or Purchaser, the Designated Officers, in consultation with the Issuer's Financial Advisor, shall make the determinations provided above and the Designated Officers shall execute the Terms Certificate containing such terms and provisions on behalf of the Issuer, which execution shall be conclusive evidence as to the matters stated therein.

(c) Each Bond shall accrue interest from the Interest Payment Date next preceding the date on which it is authenticated, unless (i) it is authenticated before the first Interest Payment Date following the Original Issue Date, in which case interest shall accrue from the Original Issue Date, or (ii) it is authenticated upon an Interest Payment Date, in which case interest shall accrue from such Interest Payment Date; provided, however, that if at the time of authentication of any Bond interest is in default, interest shall accrue from the date to which interest has been paid. The Series 2015 Bonds shall bear interest on overdue principal at the aforesaid respective rates.

2.4 Denominations and Numbers. The Series 2015 Bonds shall be issued as fully registered bonds, without coupons, in the denomination of $1,000, or any integral multiple thereof. The Series 2015 Bonds shall be numbered with the letter prefix "R" and shall be numbered from one (1) consecutively upwards in order of issuance.

2.5 Paying Agent and Bond Registrar. The Issuer shall appoint a Paying Agent and Bond Registrar under the terms and conditions of this Resolution and the Terms Certificate. The Issuer may remove any Paying Agent and any Bond Registrar,

and appoint a successor or successors thereto. The Issuer shall submit to the Paying Agent or Bond Registrar, as the case may be, a notice of such removal at least 30 days prior to the effective date of such removal, and shall specify the date on which such removal shall take effect. Such removal shall take effect on the date that each successor Paying Agent and Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the Issuer a written acceptance thereof.

The principal of, premium, if any, and interest on the Series 2015 Bonds shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts. Principal of and premium, if any, on the Series 2015 Bonds shall be payable when due to the Registered Owner of each Bond at the principal office of the Paying Agent. Payment of interest on each Bond shall be made by check or draft mailed to the Person which, as of the Record Date, is the Registered Owner of the Bond, at the address of such Registered Owner as it appears on the registration books of the Issuer kept by the Bond Registrar, or at such other address as is furnished to the Bond Registrar in writing by such Owner on or prior to the Record Date.

2.6 Redemption of Series 2015 Bonds.

(a) The Series 2015 Bonds may be non-callable at the option of the Issuer or subject to redemption prior to maturity, at the option of the Issuer, all as specified in the Terms Certificate. If the Terms Certificate specifies that the Series 2015 Bonds are subject to optional redemption, the Series 2015 Bonds shall be callable on the date specified therein (the "First Redemption Date"), and on any date thereafter, prior to maturity, in whole or in part, from such maturities or parts thereof as shall be selected by the Issuer, and by lot within each maturity if less than the full amount of any maturity is to be redeemed, upon not less than 30 days prior notice, at a redemption price equal to 100% of the principal amount of the Series 2015 Bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption. Series 2015 Bonds maturing prior to the First Redemption Date are not subject to optional redemption.

(b) The Series 2015 Bonds may be subject to mandatory redemption by operation of sinking fund installments as provided in the Terms Certificate. If the Series 2015 Bonds are subject to mandatory sinking fund redemption and less than all of the Series 2015 Bonds then outstanding are redeemed in a manner other than pursuant to a mandatory sinking fund redemption, the principal amount so redeemed shall be credited at 100% of the principal amount thereof by the Bond Registrar against the obligation of the Issuer on such mandatory sinking fund redemption dates for the Series 2015 Bonds in such order as directed by the Issuer.

(c) If fewer than all of the Series 2015 Bonds of any maturity are called for redemption, the Series 2015 Bonds to be redeemed shall be selected by lot by the Bond Registrar, in such manner as the Bond Registrar may deem fair

and appropriate, each $5,000 or principal amount of the Series 2015 Bonds being counted as one Series 2015 Bond for this purpose. If a portion of a Series 2015 Bond shall be called for redemption, a new Series 2015 Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon presentation and surrender thereof.

2.7 Notice of Redemption.

(a) In the event any Series 2015 Bonds are to be redeemed, the Issuer shall cause notice of such redemption to be given as provided in this Section 2.7. Notice of redemption shall be given by the Bond Registrar by first class mail, postage prepaid, not less than thirty (30) nor more than sixty (60) days prior to the redemption date, to each Registered Owner of the Series 2015 Bonds to be redeemed, at the address shown on the registration books of the Issuer maintained by the Bond Registrar on the Record Date specified in the notice of redemption, which Record Date shall be not less than fifteen (15) calendar days before the mailing of such notice, or at such other address as is furnished to the Bond Registrar in writing by such Registered Owner on or prior to such Record Date. Each notice of redemption shall state (i) the identification numbers, as established hereunder and the CUSIP numbers, if any, of the Series 2015 Bonds being redeemed, provided that any such notice shall state that no representation is made as to the correctness of CUSIP numbers either as printed on such Series 2015 Bonds or as contained in the notice of redemption and that reliance may be placed only on the identification numbers contained in the notice or printed on such Series 2015 Bonds; (ii) any other descriptive information needed to identify accurately the Series 2015 Bonds being redeemed, including, but not limited to, the original issuance date and maturity date of, and interest rate on, such Series 2015 Bonds; (iii) the Record Date; (iv) the redemption date; (v) the redemption price; (vi) the place of redemption; (vii) the total principal amount of Series 2015 Bonds to be redeemed; (viii) if less than all, the distinctive numbers of the Series 2015 Bonds or portions of Series 2015 Bonds to be redeemed and, if less than all of any Series 2015 Bond, the principal amount of each Series 2015 Bond that is to be redeemed; and (ix) that the interest on the Series 2015 Bonds or portion of Series 2015 Bonds in such notice designated for redemption shall cease to accrue from and after such redemption date and that on said date there will become due and payable on each of said Series 2015 Bonds or portions of Series 2015 Bonds the redemption price thereof and interest accrued thereon to the redemption date. Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Registered Owner receives such notice. Failure to give such notice or any defect therein with respect to any Series 2015 Bond shall not affect the validity of the proceedings for redemption with respect to any other Bond.

(b) In addition to the foregoing notice, further notice of redemption shall be given by the Bond Registrar, at least two (2) business days in advance of the mailed notice to Registered Owners of Series 2015 Bonds to be redeemed, by registered or certified mail or overnight delivery service or facsimile transmission

in accordance with the current operating standards of DTC, to the Underwriter or Purchaser and to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Series 2015 Bonds, and to one or more national information services that disseminate notices of redemption of obligations such as the Series 2015 Bonds. Such further notice shall contain the information required in the immediately preceding paragraph. Failure to give all or any portion of such further notice shall not in any manner defeat the effectiveness of a call for redemption.

For so long as a book-entry system is in effect with respect to the Series 2015 Bonds, the Bond Registrar will mail notices of redemption to Cede & Co. (DTC's partnership nominee) or its successor. Any failure of DTC to convey such notice to any DTC Participants or any failure of DTC Participants or Indirect Participants to convey such notice to any beneficial owner will not affect the sufficiency or the validity of the redemption of Series 2015 Bonds.

Each notice of optional redemption may further state that such redemption shall be conditional upon the receipt by the Paying Agent, on or prior to the date fixed for such redemption, of moneys sufficient to pay the principal of, premium, if any, and interest on such Series 2015 Bonds to be redeemed and that if such moneys shall not have been so received said notice shall be of no force and effect and the Issuer shall not be required to redeem such Series 2015 Bonds. If such condition is included in the notice of redemption and if sufficient moneys have not been deposited on the date fixed for redemption, then a notice stating sufficient moneys were not deposited and that no redemption occurred on that date shall be sent within a reasonable time thereafter, in like manner, to the registered owners of each Bond which was sent the notice of redemption.

If notice of redemption shall have been given as described above and the foregoing condition, if any, shall have been met, the Series 2015 Bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for the payment of the redemption price of all the Series 2015 Bonds to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such Series 2015 Bonds shall cease to accrue and become payable.

2.8 Partially Redeemed Series 2015 Bonds. In case any Series 2015 Bond shall be redeemed in part only, upon the presentation of such Bond for such partial redemption, the Issuer shall execute and the Bond Registrar shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the Issuer, a Series 2015 Bond or Series 2015 Bonds of the same series, interest rate and maturity, in aggregate principal amount equal to the unredeemed portion of such registered Bond. A portion of any Series 2015 Bond of a denomination of more than $5,000 to be redeemed will be in the principal amount of $5,000 or an integral multiple thereof and in selecting portions of such Series 2015 Bonds for redemption, each such Bond shall be treated as representing that number of Series

2015 Bonds of $5,000 denomination which is obtained by dividing the principal amount of such Series 2015 Bonds by $5,000.

2.9 Book-Entry System.

(a) Unless otherwise specified in the Terms Certificate and except as provided in paragraphs (b) and (c) of this Section 2.9, the registered holder of all Bonds shall be, and the Series 2015 Bonds shall be registered in the name of Cede & Co. ("Cede"), as nominee of DTC. Payment of interest for any Bond, as applicable, shall be made in accordance with the provisions of this Resolution to the account of Cede on the interest payment date for the Series 2015 Bonds at the address indicated for Cede in the registration books of the Bond Registrar.

(b) The Series 2015 Bonds shall be initially issued in the form of a separate single fully registered Bond in the amount of each separate stated maturity of the Series 2015 Bonds. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books of the Issuer kept by the Bond Registrar, in the name of Cede, as nominee of DTC. With respect to Bonds so registered in the name of Cede, the Issuer, the Bond Registrar and any Paying Agent shall have no responsibility or obligation to any DTC participant or to any beneficial owner of any of such Bonds. Without limiting the immediately preceding sentence, the Issuer, the Bond Registrar and any Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC participant with respect to any beneficial ownership interest in the Series 2015 Bonds, (ii) the delivery to any DTC participant, beneficial owner or other person, other than DTC, of any notice with respect to the Series 2015 Bonds, including any notice of redemption, or (iii) the payment to any DTC participant, beneficial owner or other person, other than DTC, of any amount with respect to the principal or redemption price of, or interest on, any of the Series 2015 Bonds. The Issuer, the Bond Registrar and any Paying Agent may treat DTC as, and deem DTC to be, the absolute owner of each Bond for all purposes whatsoever, including (but not limited to) (1) payment of the principal or redemption price of, and interest on, each such Bond, (2) giving notices of redemption and other matters with respect to such Bonds and (3) registering transfers with respect to such Bonds. So long as the Series 2015 Bonds are registered in the name of Cede, the Paying Agent shall pay the principal or redemption price of, and interest on, all Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to satisfy fully and discharge the Issuer's obligations with respect to such principal or redemption price, and interest, to the extent of the sum or sums so paid. Except as provided in paragraph (c) of this Section 2.9, no person other than DTC shall receive a Bond evidencing the obligation of the Issuer to make payments of principal or redemption price of, and interest on, any such Bond pursuant to this Resolution. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions of this Resolution, the word "Cede" in this Resolution shall refer to such new nominee of DTC.

Except as provided in paragraph (c)(iii) of this Section 2.9, and notwithstanding any other provisions of this Resolution, the Series 2015 Bonds may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

(c) (i) DTC may determine to discontinue providing its services with respect to the Series 2015 Bonds at any time by giving written notice to the Issuer, the Bond Registrar, and the Paying Agent, which notice shall certify that DTC has discharged its responsibilities with respect to the Series 2015 Bonds under applicable law.

(ii) The Issuer, in its sole discretion and without the consent of any other person, may, by notice to the Bond Registrar, terminate the services of DTC with respect to the Series 2015 Bonds if the Issuer determines that the continuation of the system of book-entry-only transfers through DTC is not in the best interests of the beneficial owners of the Series 2015 Bonds or the Issuer; and the Issuer shall, by notice to the Bond Registrar, terminate the services of DTC with respect to the Series 2015 Bonds upon receipt by the Issuer, the Bond Registrar, and the Paying Agent of written notice from DTC to the effect that DTC has received written notice from DTC participants having interests, as shown in the records of DTC, in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the then outstanding Bonds to the effect that: (1) DTC is unable to discharge its responsibilities with respect to the Series 2015 Bonds; or (2) a continuation of the requirement that all of the outstanding Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC, is not in the best interests of the beneficial owners of the Series 2015 Bonds.

(iii) Upon the termination of the services of DTC with respect to the Series 2015 Bonds pursuant to subsection (c)(ii)(2) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Series 2015 Bonds pursuant to subsection (c)(i) or subsection (c)(ii)(1) hereof after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the Issuer, is willing and able to undertake the functions of DTC hereunder upon reasonable and customary terms, the Series 2015 Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC. In such event, the Issuer shall execute and the Bond Registrar shall authenticate Bond certificates as requested by DTC of like principal amount, maturity and Series, in authorized denominations to the identifiable beneficial owners in replacement of such beneficial owners' beneficial interest in the Series 2015 Bonds.

(iv) Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to the principal or redemption price of, and interest on, such Bond and all notices with respect to such Bond shall be made and given, respectively, to DTC as provided in the representation letter of the Issuer addressed to DTC and DTC's operational arrangement.

(v) In connection with any notice or other communication to be provided to Holders of Bonds registered in the name of Cede pursuant to this Resolution by the Issuer or the Bond Registrar with respect to any consent or other action to be taken by such Holders, the Issuer shall establish a record date for such consent or other action by such Holders and give DTC notice of such record date not less than fifteen (15) days in advance of such record date to the extent possible.

2.10 Sale of Series 2015 Bonds. (a) The sale of the Series 2015 Bonds is hereby approved as follows:

(i) The Series 2015 Bonds authorized to be issued herein shall be sold to the Purchaser at an aggregate price as shall be determined pursuant to the authority delegated under Section 2.3 hereof, on the terms and conditions to be set forth in the Bond Purchase Agreement, and upon the basis of the representations therein set forth. The Council hereby ratifies, confirms and approves all actions heretofore taken on behalf of the Council by the Designated Officers in connection with the sale of the Series 2015 Bonds.

(ii) To evidence the acceptance by the Council of the Bond Purchase Agreement, the Designated Officers are hereby authorized and directed to execute and deliver, and the City Recorder to attest, the Bond Purchase Agreement substantially in the form attached hereto as Exhibit D, with such changes, omissions, insertions and revisions as the Designated Officers shall deem advisable, and delivery thereof to constitute conclusive evidence of such approval.

(b) The Designated Officers are hereby authorized to determine the method of sale of the Series 2015 Bonds, which may include a Private Placement or a Public Offering. In the event that a Public Offering is used, the Designated Officers are authorized and directed to utilize the Preliminary Official Statement and prepare or cause to be prepared an Official Statement for distribution to prospective purchasers of the Series 2015 Bonds in accordance with Sections 6.1 and 6.2 hereof.

2.11 Continuing Disclosure Undertaking. To the extent that the Series 2015 Bonds are sold pursuant to a Public Offering, the Designated Officers are hereby authorized, empowered and directed to execute and deliver, and the City Recorder to seal,

countersign and attest, the Continuing Disclosure Undertaking in substantially the same form as now before the Issuer and attached hereto as Exhibit C, or with such changes therein as the Designated Officers shall approve, with the execution thereof to constitute conclusive evidence of approval of such changes. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the Issuer as herein provided, the Continuing Disclosure Undertaking will be binding on the Issuer and the officers, employees and agents of the Issuer, and the officers, employees and agents of the Issuer are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Resolution, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Series 2015 Bond to seek mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under the Continuing Disclosure Undertaking.

2.12 Execution of Bonds. The Series 2015 Bonds shall be executed on behalf of the Issuer by the Mayor and attested by the City Recorder (the signatures of the Mayor and City Recorder being either manual and/or by facsimile), and the corporate seal of the Issuer or a facsimile thereof shall be impressed or imprinted thereon. The use of such facsimile signatures of the Mayor and City Recorder and such facsimile of the seal of the Issuer on the Series 2015 Bonds is hereby authorized, approved and adopted by the Issuer as the authorized and authentic execution, attestation and sealing of the Series 2015 Bonds by said officials. The Series 2015 Bonds shall then be delivered to the Bond Registrar for manual authentication by it. The Certificate of Authentication shall be substantially in the form provided in Section 5.1 hereof. Only such of the Series 2015 Bonds as shall bear thereon a Certificate of Authentication, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of the Bond Registrar shall be conclusive evidence that the Series 2015 Bonds so certified have been duly registered and delivered under, and are entitled to the benefits of this Resolution and that the Registered Owner thereof is entitled to the benefits of this Resolution. The Certificate of Authentication of the Bond Registrar on any Bond shall be deemed to have been executed by it if (i) such Bond is signed by the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication on all of the Series 2015 Bonds issued hereunder or that all of the Series 2015 Bonds hereunder be certified as registered by the same Bond Registrar, and (ii) the date of authentication of the Bond is inserted in the place provided therefor on the Certificate of Authentication.

The Mayor and City Recorder are authorized to execute, attest, countersign and seal from time to time, in the manner described above, Bonds (the "Exchange Bonds") to be issued and delivered for the purpose of effecting transfers and exchanges of Bonds pursuant to Article III hereof. At the time of the execution, attestation and sealing of the Exchange Bonds by the Issuer, the payee, principal amount, CUSIP number, if any, maturity and interest rate shall be in blank. Upon any transfer or exchange of Bonds pursuant to Article III hereof, the Bond Registrar shall cause to be inserted in appropriate Exchange Bonds the appropriate payee, principal amount, CUSIP number, if any, maturity and interest rate. The Bond Registrar is hereby authorized and directed to hold

the Exchange Bonds, and to complete, certify as to registration and authenticate and deliver the Exchange Bonds, for the purpose of effecting transfers and exchanges of Bonds; provided, however, that any Exchange Bonds registered, authenticated and delivered by the Bond Registrar shall bear the same series, maturity and interest rate as Bonds delivered to the Bond Registrar for exchange or transfer, and shall bear the name of such payee as the Registered Owner requesting an exchange or transfer shall designate; and provided further that upon the delivery of any Exchange Bonds by the Bond Registrar a like principal amount of Bonds submitted for transfer or exchange, and of like series and having like maturities and interest rates, shall be canceled. The execution, attestation and sealing by the Issuer and delivery to the Bond Registrar of any Exchange Bond shall constitute full and due authorization of such Bond containing such payee, principal amount, CUSIP number, if any, maturity and interest rate as the Bond Registrar shall cause to be inserted, and the Bond Registrar shall thereby be authorized to authenticate and deliver such Exchange Bond in accordance with the provisions hereof.

In case any officer whose signature or a facsimile of whose signature shall appear on any Bond (including any Exchange Bond) shall cease to be such officer before the issuance or delivery of such Bond, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until such issuance or delivery, respectively.

2.13 Delivery of Bonds; Application of Proceeds. The Series 2015 Bonds shall be delivered to the Underwriter or Purchaser at such time and place as provided in the Bond Purchase Agreement. The City Recorder of the Issuer is hereby authorized and instructed to make delivery of the Series 2015 Bonds to the Underwriter or Purchaser and to receive payment therefor in accordance with the terms of the Bond Purchase Agreement, and to deposit the proceeds of sale as follows:

(a) An amount sufficient to retire the Refunded Bonds shall be deposited in trust with the Escrow Agent to be invested in Governmental Obligations or held in cash as contemplated by the Escrow Agreement, and which comply in all respects with the provisions of Section 11-27-3 of the Act.

(b) The amount remaining shall be deposited into a separate account with either the Issuer or the Paying Agent (as determined by the Designated Officers) and used to pay the costs of issuance of the Series 2015 Bonds, provided that any moneys remaining in such account six months subsequent to the date of the initial delivery of the Series 2015 Bonds shall be deposited into the Bond Fund.

2.14 Provisions for Refunding and Redemption of Refunded Bonds.

(a) By execution of the Terms Certificate, the Issuer will have elected to refund the Refunded Bonds and to call and redeem on the respective first optional redemption date each series of the Refunded Bonds then outstanding (as more specifically identified in the Terms Certificate) at a redemption price equal to one hundred percent (100%) of the principal amount of each Refunded Bond to

be so redeemed, plus accrued interest thereon to the redemption date. The paying agent and bond registrar for each series of the Refunded Bonds (the "Prior Paying Agent") is hereby authorized and directed to mail a Notice of Redemption of the Refunded Bonds as required by the proceedings which authorized the issuance of the Refunded Bonds.

(b) An escrow verification report is hereby authorized to be prepared, as directed by the Finance Director, in order to verify that, pursuant to the Escrow Agreement, moneys and Governmental Obligations permitted under the Act, the principal of and the interest on which, when due, will provide moneys sufficient to pay, when due, the principal of, premium, if any, and interest on the Refunded Bonds to become due, will be deposited with the Escrow Agent and provision thereby made for the refunding, retirement and redemption of the Refunded Bonds.

2.15 Authorization of Escrow Deposit Agreement. The Escrow Agreement in substantially the form set forth as Exhibit F hereto, with such changes and additions as shall be made with the approval of the Mayor (which approval shall be conclusively established by the execution thereof by the Mayor), is hereby in all respects authorized and approved. The Issuer shall enter into the Escrow Agreement with the Escrow Agent establishing the Escrow Fund from which principal of, premium, if any, and interest on the Refunded Bonds shall be paid. The Mayor is hereby authorized and directed to execute and deliver, and the City Recorder to attest, the Escrow Agreement on behalf of the Issuer.

2.16 Further Authority. The Designated Officers, the City Recorder and such other officials of the Issuer as may be required, are hereby authorized and directed to execute all certificates, documents, and other instruments and make such elections under the Code as may be necessary or advisable to provide for the issuance, sale, registration, and delivery of the Series 2015 Bonds and to comply with applicable provisions of the Code.

2.17 [Bank Qualification. For purposes of and in accordance with Section 265 of the Code, the Issuer hereby designates the Series 2015 Bonds as an issue qualifying for the exception for certain qualified tax-exempt obligations to the rule denying banks and other financial institutions one hundred percent (100%) of the deduction for interest expenses which is allocable to tax-exempt interest. The Issuer reasonably anticipates that the total amount of tax-exempt obligations (other than obligations described in Section 265(b)(3)(C)(ii) of the Code) which will be issued by the Issuer and by any aggregated issuer during calendar year 2015 will not exceed $10,000,000. For purposes of this Section, "aggregated issuer" means any entity which, (a) issues obligations on behalf of the Issuer, (b) derives its issuing authority from the Issuer, or (c) is directly or indirectly controlled by the Issuer within the meaning of Treasury Regulation Section 1.150-1(e). The Issuer hereby represents that (i) it has not created and does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code and (ii) the total amount of obligations so

designated by the Issuer, and all aggregated issuers for calendar year 2015 does not exceed $10,000,000.]

ARTICLE III

TRANSFER AND EXCHANGE OF BONDS; BOND REGISTRAR

3.1 Transfer of Bonds.

(a) Any Bond may, in accordance with its terms, be transferred, upon the registration books kept by the Bond Registrar pursuant to Section 3.3 hereof, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Bond Registrar, duly executed. No transfer shall be effective until entered on the registration books kept by the Bond Registrar. The Issuer, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal or redemption price thereof and interest due thereon and for all other purposes whatsoever.

(b) Whenever any Bond or Bonds shall be surrendered for transfer, the Bond Registrar shall authenticate and deliver a new fully registered Bond or Bonds (which may be an Exchange Bond or Bonds pursuant to Section (a) hereof) of the same series, designation, maturity and interest rate and of authorized denominations duly executed by the Issuer, for a like aggregate principal amount. The Bond Registrar shall require the payment by the Registered Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer. With respect to each Bond, no such transfer shall be required to be made (i) with respect to any Interest Payment Date after the Record Date to and including such Interest Payment Date, or (ii) with respect to any redemption of any Bond, after such Record Date as shall be specified by the Bond Registrar in the notice of redemption, provided that such Record Date shall not be less than 15 calendar days before the mailing of such notice of redemption.

(c) The Issuer shall not be required to register the transfer of or exchange any Bond selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part.

3.2 Exchange of Bonds. Bonds may be exchanged at the office of the Bond Registrar for a like aggregate principal amount of fully registered Bonds (which may be an Exchange Bond or Bonds pursuant to Section (a) hereof) of the same series, designation, maturity and interest rate of other authorized denominations. The Bond Registrar shall require the payment by the Registered Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. With respect to each Bond, no such exchange shall be required to be made (i) with respect to any Interest Payment Date after the Record Date to and including such Interest Payment Date, or (ii) with respect to any redemption of any Bond, after such Record Date

as shall be specified by the Bond Registrar in the notice of redemption, provided that such Record Date shall not be less than 15 calendar days before the mailing of such notice of redemption.

3.3 Bond Registration Books. This Resolution shall constitute a system of registration within the meaning and for all purposes of the Registered Public Obligations Act, Title 15, Chapter 7, Utah Code Annotated 1953, as amended. The Bond Registrar shall keep or cause to be kept, at its office, sufficient books for the registration and transfer of the Series 2015 Bonds, which shall at all times be open to inspection by the Issuer, and upon presentation for such purpose, the Bond Registrar shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as herein provided.

3.4 List of Registered Owners. The Bond Registrar shall maintain a list of the names and addresses of the Owners of all Bonds and upon any transfer shall add the name and address of the new Registered Owner and eliminate the name and address of the transferor Registered Owner.

3.5 Duties of Bond Registrar. The obligations and duties of the Bond Registrar hereunder include the following:

(a) to act as bond registrar, authenticating agent, paying agent, and transfer agent as provided herein;

(b) to maintain a list of Registered Owners as set forth herein and to furnish such list to the Issuer upon request, but otherwise to keep such list confidential;

(c) to give notice of redemption of Bonds as provided herein;

(d) to cancel and/or destroy Bonds which have been paid at maturity or submitted for exchange or transfer;

(e) to furnish the Issuer at least annually a certificate with respect to Bonds canceled and/or destroyed; and

(f) to furnish the Issuer at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Series 2015 Bonds.

ARTICLE IV

COVENANTS AND UNDERTAKINGS

4.1 Covenants of Issuer. All covenants, statements, representations and agreements contained in the Series 2015 Bonds, and all recitals and representations in this Resolution are hereby considered and understood and it is hereby resolved that all said covenants, statements, representations and agreements of the Issuer, are the covenants, statements, representations and agreements of the Issuer.

4.2 Levy of Taxes. The Issuer covenants and agrees to establish a Bond Fund to pay the interest falling due on the Series 2015 Bonds as the same becomes due and also to provide for the payment of the principal of the Series 2015 Bonds at maturity or by prior redemption. There shall be levied on all taxable property in the Issuer in addition to all other taxes, a direct annual tax sufficient to pay the interest on the Series 2015 Bonds and to pay and retire the Series 2015 Bonds. Said taxes shall be deposited in the Bond Fund and applied solely for the purpose of the payment of said interest and principal on the Series 2015 Bonds, respectively, and for no other purpose whatsoever until the indebtedness so contracted under this Resolution, principal and interest, shall have been fully paid, satisfied and discharged, but nothing herein contained shall be so construed as to prevent the Issuer from applying any other funds that may be in the Issuer's treasury and available for that purpose to the payment of said interest and principal as the same respectively mature, and the levy or levies herein provided for may thereupon to that extent be diminished, and the sums herein provided for to meet the interest on the Series 2015 Bonds and to discharge the principal thereof when due, are hereby appropriated for that purpose and the required amount for each year shall be included by the Issuer in its annual budget and its statement and estimate as certified to Salt Lake County in each year. Principal or interest falling due at any time when there shall not be available from the proceeds of said levies money sufficient for the payment thereof shall, to the extent of such deficiency, be paid from other funds of the Issuer available for such purpose, and such other funds reimbursed when the proceeds of said levies become available. The Issuer shall transfer from the Bond Fund to the Paying Agent at least fifteen days prior to each principal and/or interest payment date or redemption date on the Series 2015 Bonds, sufficient moneys to pay all principal and interest falling due on said payment or redemption date. The Issuer has established the Bond Fund primarily to achieve a proper matching of revenues and debt service on the Series 2015 Bonds. The Bond Fund shall be depleted at least once each year by the Issuer except for a reasonable carryover amount not to exceed the greater of one year's earnings on the Bond Fund or one-twelfth of the annual debt service on the Series 2015 Bonds.

4.3 Bonds in Registered Form. The Issuer recognizes that Section 149 of the Code requires the Series 2015 Bonds to be issued and to remain in fully registered form in order that interest thereon be excludible from gross income for federal income tax purposes under laws in force at the time the Series 2015 Bonds are delivered. In this connection, the Issuer agrees that it will not take any action to permit the Series 2015 Bonds to be issued in, or converted into, bearer or coupon form.

4.4 Tax Covenants. The Issuer further covenants and agrees to and for the benefit of the Bondholders that the Issuer (i) will not take any action that would cause interest on the Series 2015 Bonds to become subject to federal income taxation, (ii) will not omit to take or cause to be taken, in timely manner, any action, which omission would cause the interest on the Series 2015 Bonds to become subject to federal income taxation, and (iii) will, to the extent possible, comply with any other requirements of federal tax law applicable to the Series 2015 Bonds in order to preserve the exemption from federal income taxation of interest on the Series 2015 Bonds. Pursuant to this covenant, the Issuer obligates itself to comply throughout the term of the Series 2015 Bonds with the requirements of Section 148 of the Code and the regulations proposed or promulgated thereunder, as the same presently exist, or may from time to time hereafter be amended, supplemented or revised.

ARTICLE V

FORM OF BONDS

5.1 Form of Bonds. Each Bond shall be in substantially the following form, with such insertions or variations as to any redemption or amortization provisions and such other insertions or omissions, endorsements and variations as may be required:

FORM OF BOND

[Unless this certificate is presented by an authorized representative of The Depository Trust Company (55 Water Street, New York, New York) to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.]

Registered Registered

UNITED STATES OF AMERICA
STATE OF UTAH
AMERICAN FORK CITY, UTAH
GENERAL OBLIGATION REFUNDING BOND
SERIES 2015

[THIS BOND HAS BEEN DESIGNATED BY THE ISSUER AS A QUALIFIED TAX-EXEMPT OBLIGATION FOR PURPOSES OF THE EXCEPTION CONTAINED IN SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, RELATING TO THE DEDUCTIBILITY OF A FINANCIAL INSTITUTION'S INTEREST EXPENSE ALLOCABLE TO TAX-EXEMPT INTEREST.]

Number R-___ $_____

Interest Rate	Maturity Date	Original Issue Date	CUSIP
____%	_____, 20___	_____, 2015	

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS****

American Fork City, Utah (the "Issuer"), a duly organized and existing political subdivision of the State of Utah, acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above (subject to redemption prior to maturity, as provided herein), upon presentation and surrender hereof, the Principal Amount identified above, and to pay the Registered Owner hereof interest on the balance of said Principal Amount from time to time remaining unpaid at the Interest Rate per annum identified above (calculated on the basis of a year of 360 days comprised of twelve 30-day months), which interest shall be payable on March 1 and September 1 of each year, commencing

_____ (each an "Interest Payment Date"), until all of the principal shall have been paid.

Interest on this Bond shall accrue from the Interest Payment Date next preceding the date on which it is authenticated, unless (i) it is authenticated before the first Interest Payment Date following the Original Issue Date identified above, in which case interest shall accrue from the Original Issue Date, or (ii) it is authenticated on an Interest Payment Date, in which case interest shall accrue from such Interest Payment Date; provided, however, that if interest on the hereinafter defined Bonds shall be in default, interest on the Series 2015 Bonds issued in exchange for Bonds surrendered for transfer or exchange shall be payable from the date to which interest has been paid in full on the Series 2015 Bonds surrendered. This Bond shall bear interest on overdue principal at the Interest Rate. Principal and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Principal of this Bond shall be payable upon surrender of this Bond at the principal corporate trust office of Paying Agent, and payment of the semiannual interest hereon shall be made by wire, check or draft mailed to the person who is the Registered Owner of record hereof as of the fifteenth day immediately preceding each Interest Payment Date at the address of such Registered Owner as it appears on the registration books kept by the hereinafter defined Bond Registrar, or at such other address as is furnished in writing by such Registered Owner to the Bond Registrar as provided in the hereinafter defined Resolution.

This Bond is one of the General Obligation Refunding Bonds, Series 2015 of the Issuer (the "Series 2015 Bonds") limited to the aggregate principal amount of $_____, and issued pursuant to (a) the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the "Act"), and (b) a resolution of the Council adopted on March 24, 2015 (the "Resolution"). The Series 2015 Bonds are authorized to be issued for the purpose of (a) refunding and retiring certain of the Issuer's outstanding general obligation bonds and (b) paying expenses reasonably incurred in connection with the issuance and sale of the Series 2015 Bonds.

_____ is the initial bond registrar and paying agent with respect to the Series 2015 Bonds. Said bond registrar and paying agent, together with any successor bond registrar or paying agent, respectively, is referred to herein as the "Bond Registrar" and the "Paying Agent."

The Issuer covenants and is by law required to levy annually a sufficient tax to constitute a Bond Fund to pay the interest on this Bond as it falls due and also to provide for the payment of the principal hereof as the same falls due; provided, however, that the Issuer may apply other funds available to the Issuer to the payment of said principal and interest in which case the levy herein described may to that extent be diminished.

This Bond is transferable, as provided in the Resolution, only upon the books of the Issuer kept for that purpose at the principal office of the Bond Registrar, by the Registered Owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Bond

Registrar, duly executed by the Registered Owner or such duly authorized attorney, and thereupon the Issuer shall issue in the name of the transferee a new registered Bond or Bonds of authorized denominations of the same aggregate principal amount, series, designation, maturity and interest rate as the surrendered Bond, all as provided in the Resolution and upon the payment of the charges therein prescribed. No transfer of this Bond shall be effective until entered on the registration books kept by the Bond Registrar. The Issuer, the Bond Registrar and the Paying Agent may treat and consider the person in whose name this Bond is registered on the registration books kept by the Bond Registrar as the holder and absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon and for all other purposes whatsoever, and neither the Issuer, nor the Bond Registrar nor the Paying Agent shall be affected by any notice to the contrary.

The Issuer is not required to transfer or exchange any Bond (a) after the Record Date with respect to any Interest Payment Date to and including such Interest Payment Date, and (b) with respect to any redemption of any Bond, after such Record Date as shall be specified by the Bond Registrar in the notice of redemption, provided that such Record Date shall not be less than 15 calendar days before the mailing of such notice of redemption.

The Series 2015 Bonds are issuable solely in the form of fully registered Bonds without coupons in the denomination of $1,000 or any integral multiple thereof.

The Series 2015 Bonds are subject to optional redemption as described in the Resolution and related Terms Certificate.

The Series 2015 Bonds are subject to mandatory redemption by operation of sinking fund installments at a redemption price equal to 100% of the principal amount thereof plus accrued interest, if any, to the redemption date, on the dates and in the principal amounts as provided in the Bond Resolution.

Notice of redemption shall be given by the Bond Registrar by first class mail, postage prepaid, not less than thirty (30) nor more than sixty (60) days prior to the redemption date, to each Registered Owner of the Series 2015 Bonds to be redeemed, at the address shown on the registration books of the Issuer maintained by the Bond Registrar, all as provided in the Resolution.

If notice of redemption shall have been given as described above, the Series 2015 Bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for the payment of the redemption price of all the Series 2015 Bonds to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such Series 2015 Bonds shall cease to accrue and become payable.

In case any Bond shall be redeemed in part only, upon the presentation of such Bond for such partial redemption, the Issuer shall execute and the Bond Registrar shall

authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the Issuer, a Series 2015 Bond or Series 2015 Bonds of the same series, interest rate and maturity, in aggregate principal amount equal to the unredeemed portion of such registered Bond. A portion of any Bond of a denomination of more than $5,000 to be redeemed will be in the principal amount of $5,000 or an integral multiple thereof and in selecting portions of such Series 2015 Bonds for redemption, each such Bond shall be treated as representing that number of Series 2015 Bonds of $5,000 denomination which is obtained by dividing the principal amount of such Series 2015 Bonds by $5,000.

This Bond and the issue of Bonds of which it is a part are issued in conformity with and after full compliance with the Constitution of the State of Utah and pursuant to the provisions of the Act and all other laws applicable thereto. It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Utah and by the Act and the Resolution to exist, to have happened or to have been performed precedent to or in connection with the issuance of this Bond exist, have happened and have been performed and that the issue of Bonds, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by said Constitution and statutes, and that the full faith and credit of the Issuer are hereby irrevocably pledged to the punctual payment of the principal of and interest on this Bond, according to its terms.

This Bond shall not be valid until the Certificate of Authentication hereon shall have been manually signed by the Bond Registrar.

IN WITNESS WHEREOF, AMERICAN FORK CITY, UTAH, has caused this Bond to be signed in its name and on its behalf by its Mayor and attested and countersigned by its City Recorder (the signatures of said Mayor and City Recorder being by facsimile or manual signature), and has caused its corporate seal to be affixed hereto.

AMERICAN FORK CITY, UTAH

(SEAL)

(Do Not Sign)
Mayor

ATTEST AND COUNTERSIGN:

(Do Not Sign)
City Recorder

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2015 Bonds described in the within mentioned Resolution and is one of the General Obligation Refunding Bonds, Series 2015 of American Fork City, Utah.

_____,
as Bond Registrar

By: _____

Date of Registration and Authentication: _____

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM	–	as tenants in common
TEN ENT	–	as tenants by the entireties
JT TEN	–	as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT _____
(Cust.)

Custodian for _____
(Minor)

Under Uniform Gifts to Minors Act of _____
(State)

Additional abbreviations may also be used though not in the above list.

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 hereby irrevocably constitutes and appoints

_____

attorney to register the transfer of said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:_____

Signature:_____

NOTICE: The signature on this assignment must correspond with the name(s) of the Registered owner as it appears upon the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

SIGNATURE GUARANTEED:

_____

NOTICE: Signature(s) must be guaranteed by an "eligible guarantor institution" that is a member of or a participant in a "signature guarantee program" (e.g., the Securities Transfer Agents Medallion Program, the Stock Exchange Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program).

ARTICLE VI

MISCELLANEOUS

6.1 Preliminary Official Statement Deemed Final. The use and distribution of the Official Statement in preliminary form ("the Preliminary Official Statement"), in substantially the form presented at this meeting and in the form attached hereto as Exhibit E, is hereby authorized and approved, with such changes, omissions, insertions and revisions as the Designated Officers shall deem advisable. The Designated Officers are hereby authorized to do or perform all such acts and to execute all such certificates, documents and other instruments as may be necessary or advisable to deem final the Preliminary Official Statement within the meaning and for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission, subject to completion thereof with the information established at the time of the sale of the Series 2015 Bonds.

6.2 Official Statement. The Official Statement of the Issuer is hereby authorized in substantially the form presented at this meeting and in the form attached hereto as Exhibit E, with such changes, omissions, insertions and revisions as the Designated Officers shall deem advisable, including the completion thereof with the information established at the time of the sale of the Series 2015 Bonds by the Designated Officers and set forth in the Terms Certificate. The Designated Officers shall sign and deliver the Official Statement to the Underwriter or Purchaser for distribution to prospective purchasers of the Series 2015 Bonds and other interested persons. The approval of the Designated Officers of any such changes, omissions, insertions and revisions shall be conclusively established by the execution of the Official Statement.

6.3 Changes to Forms. The form of Series 2015 Bonds and the other documents authorized and approved hereby are authorized and approved with such additions, modifications, deletions and changes thereto as may be deemed necessary or appropriate and approved by the Mayor and/or City Recorder, whose execution or approval thereof on behalf of the Issuer shall conclusively establish such necessity, appropriateness and approval with respect to all such additions, modifications, deletions and changes incorporated therein.

6.4 Notice of Bonds to be Issued. In accordance with the provisions of the Act, the City Recorder shall cause a "Notice of Bonds to be Issued" to be (a) published one (1) time in The Daily Herald, a newspaper of general circulation in the Issuer, (b) posted on the Utah Public Notice Website (http://pmn.utah.gov), and (c) posted on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended, and shall cause a copy of this Resolution to be kept on file in the Issuer's office in American Fork City, Utah, 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 "Notice of Bonds to be Issued" shall be in substantially the form set forth in Exhibit H attached hereto.

6.5 Ratification. All proceedings, resolutions and actions of the Issuer and its officers taken in connection with the sale and issuance of the Series 2015 Bonds are hereby ratified, confirmed and approved.

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

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

6.8 Captions. The headings herein are for convenience of reference only and in no way define, limit or describe the scope or intent of any provisions or sections of this Resolution.

6.9 Certification of Fulfillment of Conditions. The Issuer hereby finds and certifies that upon the execution of the Terms Certificate, all conditions precedent to the issuance of the Series 2015 Bonds will have been satisfied and fulfilled.

6.10 Maintenance of Records; Copies. A copy of this Resolution and every amendatory or supplemental resolution or other official action relating to the Series 2015 Bonds shall be kept on file with the City Recorder at American Fork City, Utah, where the same shall be made available for inspection by any Registered Owner of the Series 2015 Bonds, or his, its or their agents for so long as any of the Series 2015 Bonds remain outstanding and unpaid. Upon payment of the reasonable cost for preparing the same, a certified copy of this Resolution, or any amendatory or supplemental resolution, will be furnished to any Registered Owner of the Series 2015 Bonds.

6.11 Effective Date. This Resolution shall take effect immediately upon its approval and adoption by the City.

6.12 Resolution Irrepealable. Upon the execution of the Terms Certificate, this Resolution shall be and remain irrepealable until the principal of, premium, if any, and interest on the Series 2015 Bonds are paid in accordance with the terms and provisions hereof.

APPROVED AND ADOPTED this March 24, 2015.

AMERICAN FORK CITY, UTAH

(SEAL)

_____
Mayor

ATTEST AND COUNTERSIGN:

_____
Deputy City Recorder

(Other business not pertinent to the foregoing appears in the minutes of the meeting.)

The meeting was then adjourned.

_____
Mayor

ATTEST AND COUNTERSIGN:

_____
Deputy City Recorder

STATE OF UTAH)
: ss.
COUNTY OF UTAH)

I, Terilyn Lurker, the duly qualified Deputy City Recorder of the City Council (the "Council") of American Fork City, Utah (the "City"), do hereby certify according to the records of the City in my official possession that the foregoing constitutes a true and correct copy of the minutes of the meeting of the Council held on March 24, 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 March 24, 2015.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of the City, this March 24, 2015.

_____
Deputy City Recorder

(SEAL)

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

I, Terilyn Lurker, the undersigned Deputy City Recorder of American Fork City, Utah (the "City"), do hereby certify that I gave written public notice of the agenda, date, time and place of the special meeting held by the City Council of (the "Council") of the City on March 24, 2015, not less than 24 hours in advance of the meeting. The public notice was given in compliance with the requirements of the Utah Open and Public Meetings Act, Section 52-4-202, Utah Code Annotated 1953, as amended, by:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the City's principal offices on March ___, 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 Daily Herald, on March ___, 2015, at least twenty-four (24) hours prior to the convening of the meeting; and

(c) By causing a copy of such Notice 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 (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 (i) posted on _____, 201__, at the principal office of said City, (ii) provided to at least one newspaper of general circulation within the City on _____, 201__, and (iii) published on the Utah Public Notice Website (http://pmn.utah.gov) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of the City this March 24, 2015.

_____
Deputy City Recorder

(SEAL)

SCHEDULE 1

NOTICE OF MEETING

SCHEDULE 2

ANNUAL MEETING SCHEDULE

EXHIBIT B

LETTER OF REPRESENTATIONS

(See Transcript Document No. ___)

EXHIBIT C

FORM OF CONTINUING DISCLOSURE UNDERTAKING

(See Transcript Document No. ___)

EXHIBIT D

FORM OF BOND PURCHASE AGREEMENT

(See Transcript Document No. ___)

EXHIBIT E

FORM OF OFFICIAL STATEMENT

(See Transcript Document No. ___)

EXHIBIT F

FORM OF ESCROW AGREEMENT

(See Transcript Document No. ___)

EXHIBIT G

FORM OF TERMS CERTIFICATE

(See Transcript Document No. ___)

EXHIBIT H

NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, that on March 24, 2015, the City Council (the "Council") of American Fork City, Utah (the "Issuer") adopted a resolution (the "Resolution") in which it authorized the issuance of the Issuer's General Obligation Refunding Bonds, Series 2015 (to be issued in one or more series and from time to time, with any other title or series designation directed by the Terms Certificate) (the "Bonds").

PURPOSE FOR ISSUING THE BONDS

Pursuant to the Resolution, the Bonds are to be issued for the purpose of (i) refunding certain outstanding general obligations bonds of the Issuer in order to achieve a debt service savings, and (ii) paying related expenses.

PARAMETERS OF THE BONDS

The Issuer intends to issue the Bonds in the aggregate principal amount of not to exceed Seven Million Five Hundred Thousand Dollars ($7,500,000), to mature in not more than twenty (20) 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, bearing interest at a rate or rates not to exceed five percent (5.0%) per annum. The Bonds may be issued in one or more series, and be sold at such time, all as the Issuer may determine.

The Bonds are to be issued and sold by the Issuer pursuant to the Resolution, with such final terms and provisions as may be deemed appropriate by authorized officers of the Issuer, provided that said final terms shall not exceed the maximums set forth above.

A copy of the Resolution is on file in the office of the City Recorder of American Fork City, Utah in the City offices located at 51 East Main, American Fork, Utah where they may be examined during regular business hours of the City Recorder from 8:00 a.m. to 5:00 p.m., Monday- Friday for a period of at least thirty (30) days from and after the date of publication of this notice.

SECURITY PLEDGED FOR THE BONDS

The Bonds are general obligations of the Issuer secured by the full faith and credit and taxing power of the Issuer.

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

DATED this March 24, 2015.

/s/ Richard Colborn
City Recorder

AMERICAN FORK CITY, UTAH

$6,880,000 GENERAL OLIGATION REFUNDING BONDS

SERIES MAY 20, 2015

Comparison of Bond Payments

	Outstanding 2007 Bonds				$6,880,000 General Obligation Refunding Bonds, 2015					
Date	Principal	Coupon	Interest	Total P+I	Principal	Coupon	Interest	Total P+I	Difference	Fiscal Total
05/01/2015	225,000.00	4.000%	168,535.63	393,535.63					0.00	
11/01/2015	-	-	164,035.63	164,035.63	-	-	101,329.38	113,204.38	50,831.26	-
05/01/2016	230,000.00	5.000%	164,035.63	394,035.63	45,000.00	2.000%	113,287.50	400,162.50	(6,126.87)	44,704.39
11/01/2016	-	-	158,285.63	158,285.63	-		112,837.50	118,962.50	39,323.13	
05/01/2017	245,000.00	5.000%	158,285.63	403,285.63	35,000.00	2.000%	112,837.50	398,962.50	4,323.13	43,646.26
11/01/2017	-	-	152,160.63	152,160.63	-	-	112,487.50	112,487.50	39,673.13	-
05/01/2018	255,000.00	3.800%	152,160.63	407,160.63	290,000.00	2.000%	112,487.50	402,487.50	4,673.13	44,346.26
11/01/2018	-	-	147,315.63	147,315.63	-	-	109,587.50	109,587.50	37,728.13	
05/01/2019	265,000.00	4.000%	147,315.63	412,315.63	300,000.00	2.000%	109,587.50	409,587.50	2,728.13	40,456.26
11/01/2019	-	-	142,015.63	142,015.63	-		106,587.50	106,587.50	35,428.13	
05/01/2020	275,000.00	4.000%	142,015.63	417,015.63	305,000.00	2.000%	106,587.50	411,587.50	5,428.13	40,856.26
11/01/2020	-	-	136,515.63	136,515.63	-		103,537.50	103,537.50	32,978.13	
05/01/2021	285,000.00	4.000%	136,515.63	421,515.63	310,000.00	3.000%	103,537.50	413,537.50	7,978.13	40,956.26
11/01/2021	-	-	130,815.63	130,815.63	-		98,887.50	98,887.50	31,928.13	
05/01/2022	300,000.00	4.000%	130,815.63	430,815.63	320,000.00	3.000%	98,887.50	418,887.50	11,928.13	43,856.26
11/01/2022	-	-	124,815.63	124,815.63	-		94,087.50	94,087.50	30,728.13	
05/01/2023	310,000.00	4.250%	124,815.63	434,815.63	330,000.00	3.000%	94,087.50	424,087.50	10,728.13	41,456.26
11/01/2023	-	-	118,228.13	118,228.13	-		89,137.50	89,137.50	29,090.63	
05/01/2024	325,000.00	4.250%	118,228.13	443,228.13	340,000.00	3.000%	89,137.50	429,137.50	14,090.63	43,181.26
11/01/2024	-	-	111,321.88	111,321.88	-		84,037.50	84,037.50	27,284.38	
05/01/2025	325,000.00	4.125%	111,321.88	436,321.88	335,000.00	3.000%	84,037.50	419,037.50	17,284.38	44,568.76
11/01/2025	-	-	104,618.75	104,618.75	-		79,012.50	79,012.50	25,606.25	
05/01/2026	350,000.00	4.750%	104,618.75	454,618.75	360,000.00	3.250%	79,012.50	439,012.50	15,606.25	41,212.50
11/01/2026	-	-	96,306.25	96,306.25	-		73,162.50	73,162.50	23,143.75	
05/01/2027	370,000.00	4.750%	96,306.25	466,306.25	375,000.00	3.500%	73,162.50	448,162.50	18,143.75	41,287.50
11/01/2027	-	-	87,518.75	87,518.75	-		66,600.00	66,600.00	20,918.75	
05/01/2028	385,000.00	4.750%	87,518.75	472,518.75	385,000.00	3.500%	66,600.00	451,600.00	20,918.75	41,837.50
11/01/2028	-	-	78,375.00	78,375.00	-		59,862.50	59,862.50	18,512.50	
05/01/2029	405,000.00	4.750%	78,375.00	483,375.00	400,000.00	3.500%	59,862.50	459,862.50	23,512.50	42,025.00
11/01/2029	-	-	68,756.25	68,756.25	-		52,862.50	52,862.50	15,893.75	
05/01/2030	425,000.00	4.750%	68,756.25	493,756.25	415,000.00	3.500%	52,862.50	467,862.50	25,893.75	41,787.50
11/01/2030	-	-	58,662.50	58,662.50	-		45,600.00	45,600.00	13,062.50	
05/01/2031	445,000.00	4.750%	58,662.50	503,662.50	430,000.00	3.750%	45,600.00	475,600.00	28,062.50	41,125.00
11/01/2031	-	-	48,093.75	48,093.75	-		37,537.50	37,537.50	10,556.25	
05/01/2032	470,000.00	4.750%	48,093.75	518,093.75	450,000.00	3.750%	37,537.50	487,537.50	30,556.25	41,112.50
11/01/2032	-	-	36,931.25	36,931.25	-		29,100.00	29,100.00	7,831.25	
05/01/2033	495,000.00	4.750%	36,931.25	531,931.25	465,000.00	4.000%	29,100.00	494,100.00	37,831.25	45,662.50
11/01/2033	-	-	25,175.00	25,175.00	-		19,800.00	19,800.00	5,375.00	
05/01/2034	515,000.00	4.750%	25,175.00	540,175.00	485,000.00	4.000%	19,800.00	504,800.00	35,375.00	40,750.00
11/01/2034	-	-	12,943.75	12,943.75	-		10,100.00	10,100.00	2,843.75	
05/01/2035	545,000.00	4.750%	12,943.75	557,943.75	505,000.00	4.000%	10,100.00	515,100.00	42,843.75	45,687.50
Total	$7,445,000.00	-	$4,174,318.23	$11,619,318.23	$6,880,000.00	-	$2,984,266.88	$10,375,266.88	**$850,515.73**	-

Yield Statistics

Closing Date	5/20/2015	Closing Date	5/20/2015
Average Life	11.971 Years	Average Life	12.210 Years
Average Coupon	4.6347132%	Average Coupon	2.8383771%

$669,933.26 NPV Savings

Green numbers are Series 2015 Refunding Bonds.
Black numbers are unrefunded Series 2007 Bonds.

CITY COUNCIL STUDY ITEM

City of American Fork
COUNCIL WORK SESSION
March 19, 2015

Department Public Works Director Approval Audra J. Sorensen

STUDY ITEM Mobile Food Business Ordinance

SUMMARY RECOMMENDATION Economic Development recommends adoption of a Mobile Food Business Ordinance.

BACKGROUND The City has no Mobile Food Business Ordinance. This makes licensing confusing, and it discourages food trucks, et al., from participating in the community. It is our opinion that food trucks create economic vitality and fosters community participation. The adoption of the ordinance will, therefore, help manage these businesses in a proactive way.

BUDGET IMPACT Adoption of the Mobile Food Business Ordinance will enact a new licensing fee. Rather than issuing temporary permits (or regular business licenses for those companies whose commissary are housed within the American Fork City limits), mobile food businesses will be charged a mobile food business permit fee of $200 per year per EIN number.

SUPPORTING DOCUMENTS Food Truck Ordinance draft

ORDINANCE NO. 2015-____-_____

REGULATIONS FOR MOBILE FOOD BUSINESS. AN ORDINANCE CREATING A NEW CHAPTER OF TITLE 5 OF THE AMERICAN FORK MUNICIPAL CODE REGULATING MOBILE FOOD BUSINESES IN AMERICAN FORK, UTAH.

PREAMBLE:

WHEREAS, Utah municipalities are authorized to regulate the use of public streets, sidewalks and right-of-ways for public health, safety, welfare and convenience; and

WHEREAS, current ordinances do not provide regulations for mobile food businesses; and

WHEREAS, mobile food businesses are a growing industry; and

WHEREAS, the American Fork City Council finds it in the interest of public health, safety, welfare and convenience to authorize the operation of mobile food businesses within the city of American Fork, Utah, subject to the regulations to protect the safe and convenient use of public-rights-of-way.

NOW THEREFORE, be it ordained by the City Council of American Fork, Utah, that:

5.__.010 PURPOSEAND INTENT:

Mobile food businesses within public streets pose special challenges to the public health, safety and welfare of American Fork residents. It is the purpose and intent of the Council, in enacting this Chapter, to provide clear and concise regulations to prevent hazards to safety, traffic or health, as well as to preserve the peace, safety and welfare of the community.

5.__.020 DEFINITIONS.

A. *Food Truck* means a motor vehicle from which a mobile food business serves food or beverages for sale to the public. The term "food truck" shall not include vending carts, mobile food trailers or mobile ice cream vendors.
B. *Mobile food business* means a business that serves food or beverage from a food truck. The term "mobile food business" shall not include vending carts or mobile ice cream vendors.
C. *Operator* means and includes every person, firm or corporation who owns, leases, contracts or in any other way permits a person to operate upon the city streets any mobile food business for the purpose of vending, as defined in subsections B and E of this section.

D. *Person* means a natural person.
E. *Vend or vending* means offering food or beverage for sale from a motor vehicle on the city streets.

5.__.030 LICENSE—REQUIRED.

It is unlawful for any person to operate a mobile food business on the city streets without first obtaining a mobile food business license, as provided in 5. ___.040 of this chapter. This license is in addition to any business license required for the business under the provisions of Chapter 5.___.040 of this title.

5.__.040 LICENSE—APPLICATION.

A. Application for a mobile food business license shall include the following:
   i. The date of application;
   ii. The name, mailing address, and telephone number of the person or persons, firm or corporation desiring the license (who shall be known by, and obligated to the city, as the licensee or licensees, or "responsible owners," of the business); and the physical address, mailing address, and telephone number of the principal place of business or residence if not permanent place of business exists;
   iii. The kind of license desired, stating the business, calling, trade or professions to be performed, practiced or carried on;
   iv. Proof of such applicant's compliance or qualifications under the applicable state regulatory laws and local ordinances;
   v. The period of time for which the license may be issued;
   vi. The number of vehicles to be used in the business, a description of each vehicle, its license plate number, vehicle identification number (VIN) and proof of insurance coverage, and safety inspection.
   vii. Any other matter or thing which may be required and necessary for the purpose of enabling the city to fix the amount of license fee.
B. The annual fee for such license shall be the standard business license fee as adopted and set forth by the city council.
C. If applicable, an applicant shall also provide a certified copy of the applicant’s articles of incorporation, articles of organization, or similar document if the applicant is a corporation, limited liability company, or similar entity required to file such documents with the State of Utah or any other state for formation of the entity or before the state will treat the entity as separate from its owners.
D. An application shall not be approved and no license shall be issued or renewed to an applicant if a criminal background check, administrative records search or application materials uncover information showing either the applicant or the driver have a record for any of the following:

i. a conviction within the past ten years of driving under the influence of drugs or alcohol; alcohol or drug related reckless driving, impaired driving, driving with any measurable amount of a controlled substance or metabolite of a controlled substance in the body, automobile homicide;

ii. any criminal conviction within the past ten years for an offense involving violence, theft, possession or use of a deadly weapon, possession of controlled substances with the intent to distribute to another person or any conviction for a crime of moral turpitude; or

iii. misrepresentation of material facts in an application for a business license.

E. The applicant, driver, and any other person working in the Food Truck shall be responsible for obtaining at their expense a criminal history for the last ninety (90) days from the Bureau Criminal Investigations ("BCI").

F. A valid copy of all necessary licenses or permits required by the State or the Utah County Health Department, including, but not limited to, proof of business name and business owner's or registered agent's name as registered with the Department of Commerce and proof of a valid sales tax certificate from the State of Utah.

G. Each applicant for a license or renewal under this chapter shall submit, with the application, a certificate of insurance executed by an insurance company or association authorized to transact business in this State, showing that there is in full force and effect, for the full term of the license, general liability insurance either:

a. in an amount not less than two hundred thousand dollars ($200,000) for personal injury to each person, five hundred thousand dollars ($500,000) for each occurrence, and five hundred thousand dollars ($500,000) for each occurrence involving property damage; or

b. a single limit policy of not less than five hundred thousand dollars ($500,000) covering all claims per occurrence. Such policy or policies shall also include coverage of all motor vehicles used in connection with the applicant's business.

H. A current certificate of insurance shall be kept on file with the City Recorder at all times that the applicant is licensed by the City verifying such continuing coverage and naming the City as an additional insured. The certificate shall contain a statement that the City will be given written notification at least thirty (30) days prior to cancellation or material change in the coverage. Cancellation shall constitute grounds for suspension or revocation of the license issued hereunder unless another insurance policy complying herewith is provided and is in effect at the time of cancellation/termination.

I. A signed statement that the licensee shall hold the City and its officers and employees harmless from any and all liability and shall indemnify the City and its officers and employees from any claims for damage to property or

injury to persons arising from any activity carried on under the terms of the license.

J. Each applicant for a license or renewal under this Chapter shall submit, with the application, a valid fire inspection.

5.__.050 SEPARATE APPLICATIONS.

Separate business license applications shall be required for each mobile food business. A business license fee shall be required for each food truck business. A food truck business is one or multiple food trucks that are operating under the same Federal Employee Identification Number.

5.__.060 LOCATION RESTRICTIONS.

A. Mobile food businesses are allowed to operate in the public right-of-way only within the GC-1, GC-2, CC-1, CC-2, SC-1, PO-1, PC, PI-1, PI-1(O), I-1, PF, S-1, SP, and M-1 zones in accordance with the provisions of this chapter. Mobile food businesses shall be allowed to vend on private property within all the aforementioned zones in American Fork, with prior consent from the private property owner.

B. A person shall not vend within two blocks of any public school property in the city between the hours of seven (7) a.m. and four (4) p.m. on all days when school is in session.

C. A person shall not vend in any congested area where his operations might impede, inconvenience or endanger the public. It shall be up to the judgment of the peace officer, exercising good faith, to determine whether such interference has taken place.

D. Mobile food businesses shall not operate on public streets where the speed limit exceeds thirty-five miles per hour or locations that are otherwise deemed hazardous by the American Fork City Engineering Division, unless the roadway or location has been closed to vehicular traffic for a public event.

E. Only two food trucks operating in the public right of way are allowed within the same block face at one time unless operating during a special event, as set forth in Section 5.___.120.

5.__.070 PARKING AND VENDING RESTRICTIONS.

A. All business related to mobile food businesses shall be of a temporary nature, the duration of which shall not extend for more than twelve hours within a twenty-four hour period at any one location nor for more than three consecutive days within a seven day period on either public or private property.

B. Mobile food businesses utilizing parking space within the public right-of-

way shall park lawfully unless given prior approval from a law enforcement officer.Food trucks must be parked so that neither the vehicle nor the customers interfere with public access to adjacent parking stalls or to driveways or entrances of existing buildings or uses.

C. The mobile food business shall ensure that its use of the right-of-way, including the sidewalk, in no way interferes with or limits sidewalk users' free and unobstructed passage.
D. All vehicles must be removed from the public right-of-way at the close of each business day.
E. A person shall vend only when the food truck is lawfully stopped.
F. A person shall not back the truck to make or attempt a sale.
G. A person shall locate the vending window facing the sidewalk or on private property unless the roadway has been closed to vehicular traffic for a public event.
H. A person may not vend to a person standing in the roadway unless the roadway has been closed to vehicular traffic for a public event.

5.__.080 NOISE RESTRICTIONS.

Businesses and persons operating under this Chapter shall comply with the City's Disturbing the Peace laws and regulations. If the Food Truck uses a generator, the sound from such generator must also comply with applicable Disturbing the Peace laws and regulations.

5.__.090 DESIGN AND OPERATION GUIDELINES.

Mobile food businesses shall comply with the following design and operation requirements:

A. Food trucks shall be designed and operated in a manner so as to meet all applicable Utah County Health Department requirements relating to the handling and distribution of food.
B. The food truck shall not have or operate as a drive-through.
C. Food trucks shall be kept in good operating condition and well maintained. .
D. No mobile food business shall operate within a one hundred foot radius of any public entrance to a restaurant or city-authorized special event selling food, unless the business obtains the written consent of the proprietor of such restaurant or shop. Such consent shall not exempt the applicant from compliance with the other location and distance restrictions of this chapter.
E. All grounds utilized by a mobile food business shall at all times be maintained in a clean and attractive condition. Trash and recycling containers shall be provided for use of the business patrons. If a mobile food business has operated on or adjacent to a public right-of-way, that vendor shall be responsible for cleaning up litter dropped or discarded onto the public right-of-way prior to leaving the location.

F. Any canopy extensions must be integrated into the design of the food truck and must not project onto or over the public sidewalk or any other part of the public right-of-way in a way that impedes pedestrian passage or is lower than seven feet measured from the lowest portion of the canopy to the sidewalk or ground surface. Walled enclosures, whether hard or soft, are not authorized. Chairs and tables are not allowed in the parkway or public right-of-way.

G. Any auxiliary power required for the operation of the mobile food business shall be self-contained. No use of power or water located on private property is allowed without written consent from the owner, or the owner's authorized designee.

H. All garbage or other refuse generated from a mobile food business shall be disposed of properly. It is illegal to discharge or dispose of any substance, material, food, or waste into the storm drain system. Food trucks must dump their garbage into dumpsters which they have written permission to use or they must transport their garbage out of the City.

I. Licensees/owners will ensure their food trucks are, at all times, in compliance with all other applicable laws or ordinances regulating motor vehicles.

5.__.100 SIGNS.

No signs shall be used to advertise the conduct of the mobile business at the premises other than those which are physically attached to the vehicle, except that a two foot by three foot menu board may be placed within twelve (12) feet of the food truck. Such signs must be placed in a manner that they do not interfere with other food trucks or activities.

5.__.110 COMPLIANCE.

A. The license holder shall not be relieved of any responsibility for compliance with the provisions of this chapter, whether the holder pays salary, wages or any other form of compensation to drivers.

B. All mobile food businesses are subject to American Fork City sales tax for goods sold within the boundaries of American Fork City. Vendors shall be required to keep accurate records of daily sales that occur within the American Fork City limits. American Fork City reserves the right to audit sales records. Failure to keep accurate records may result in revocation of the American Fork City business license.

5.__.120 SPECIAL EVENTS.

The restrictions of this chapter notwithstanding, nothing herein shall prohibit the city from authorizing mobile food businesses, other than those licensed under this

chapter, to conduct concurrent mobile food business operations within the public right-of-way, or such other areas as the city may deem appropriate, during special events (special event vendors). The special event vendors shall still be governed by this chapter, except as specifically provided otherwise by the special event permit or such other ordinance, policy, or executive order as may be applicable. However, as long as the public right-of-way remains open to the general public, such authorization of special event vendors shall not require removal of a permittee under this chapter from operating within an otherwise lawfully occupied location or a mutually acceptable adjacent alternative location during such special event, unless otherwise provided under city ordinances. If the city is closing a public right-of-way to general access, either partially or fully, in order to accommodate a special event, a mobile food business may not access that right-of-way unless specifically authorized by the city.

5.__.130 ENFORCEMENT AUTHORITY.

American Fork City law enforcement officers are authorized to require any person seen operating a mobile food business, and who is not known by such officer to be duly licensed, to produce his license and to enforce the provisions of this chapter against any person found to be violating the same.

5.__.140 VIOLATION—PENALTY.

Any person violating any of the provisions of this chapter shall be guilty of a Class B misdemeanor and, upon conviction thereof, shall forfeit his permit and be punishable by a fine not to exceed one thousand dollars, or by imprisonment not to exceed six months, or by both such fine and imprisonment.

5.__.150 EFFECTIVE DATE.

This Ordinance shall become effective upon passage, approval and publication or as otherwise provided by law.

Passed by the American Fork City Council this _____ day of _____, 2015.

MAYOR

_____
JAMES H. HADFIELD
Mayor of American Fork

ATTEST:

_____
RICHARD COLBORN
City Recorder