

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, that on April 26, 2011, the City Council (the "Council") of Blanding City, Utah (the "Issuer"), adopted a resolution (the "Resolution") in which it authorized the issuance of the Issuer's Taxable Limited Obligation Revenue Bonds, Series 2011 (the "Series 2011 Bonds") and called a public hearing to receive input from the public with respect to (a) the issuance of the Series 2011 Bonds and (b) any potential economic impact that the improvements to be financed with the proceeds of the Series 2011 Bonds (see below) may have on the private sector.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on May 24, 2011, at the hour of 7:30 p.m. at the Blanding City Hall, City Council Chambers, 50 West 100 South, Blanding, Utah. The purpose of the hearing is to receive input from the public with respect to (a) the issuance of the Series 2011 Bonds and (b) any potential economic impact that the improvements to be financed with the proceeds of the Series 2011 Bonds may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE SERIES 2011 BONDS

The Series 2011 Bonds will be issued for the purpose of financing the construction of road and related improvements, and paying issuance expenses.

PARAMETERS OF THE SERIES 2011 BONDS

The Issuer intends to issue the Series 2011 Bonds in the aggregate principal amount of not to exceed One Million Dollars (\$1,000,000) to bear no interest, to mature in not more than fifteen (15) years from their date or dates, and to be sold at a price not less than one hundred percent (100%) of the total principal amount thereof.

REVENUES PROPOSED TO BE PLEDGED

The Issuer proposes to pledge certain revenues collected by the San Juan Transportation Special Service District, Utah (the "District"), and remitted to the Issuer pursuant to an interlocal agreement to be entered into by and between the Issuer and the District pursuant to the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended.

The Series 2011 Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a Master Resolution which was before the Council and attached to the Resolution in substantially final form at the time of the adoption of the Resolution, and said Master Resolution is to be adopted and executed by the Council, in such form and with such changes thereto as shall be approved by the Mayor or Mayor Pro Tem; provided that the principal amount, interest rate or rates,

maturity, and discount of the Series 2011 Bonds will not exceed the maximums set forth above.

A copy of the Resolution and the Master Resolution are on file in the office of the City Recorder of Blanding City, Utah, in Blanding, 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 through Friday for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which (a) any person in interest shall have the right to contest the legality of the Resolution, the Master Resolution, or the Series 2011 Bonds, or any provision made for the security and payment of the Series 2011 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, and (b) registered voters within Blanding City, Utah, may sign a written petition requesting an election to authorize the issuance of the Series 2011 Bonds. If written petitions which have been signed by at least twenty percent (20%) of the registered voters of Blanding City, Utah, are filed with the Issuer during said thirty (30) day period, the Issuer shall be required to hold an election to obtain voter authorization prior to the issuance of the Series 2011 Bonds. If fewer than twenty percent (20%) of the registered voters of Blanding City, Utah, file a written petition during said thirty (30) day period, the Issuer may proceed to issue the Series 2011 Bonds without an election.

DATED this April 26, 2011.

/s/Chris Webb

City Recorder

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