

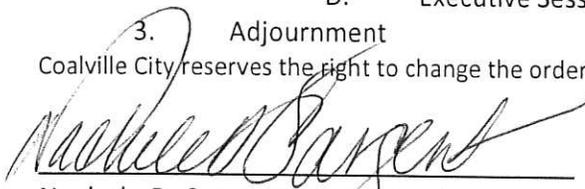


## COALVILLE CITY COUNCIL SPECIAL MEETING NOTICE AND AGENDA

Notice is hereby given that the Coalville City Council will hold a Special City Council Meeting on **Thursday, the 22<sup>nd</sup> day of September, 2016** at the Coalville City Hall located at 10 North Main Street. The meeting will start at **8:00 A.M.** The agenda will be as follows:

1. Roll Call
2. City Council Agenda Items:
  - A. Review, Discussion, and Possible Approval Of Resolution 2016-1 Loan Resolution For USDA Funding For The Water Projects
  - B. Council Updates
  - C. Mayor's Updates
  - D. Executive Session
3. Adjournment

Coalville City reserves the right to change the order of the meeting agenda as needed.

  
Nachele D. Sargent, City Recorder

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during these hearings should notify the City Hall at least three days prior to the hearing to be attended.

Posted: September 21, 2016 City Hall, Utah State Website

**Mayor**  
Trever Johnson

**Council**  
Adrienne Anson  
Cody Blonquist  
Arlin Judd  
Rodney Robbins  
Tyler Rowser

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Coalville City Council  
Special Meeting  
HELD ON  
September 22, 2016  
IN THE  
CITY HALL

Mayor Trever Johnson called the meeting to order at 8:05 A.M.

**MAYOR AND COUNCILMEMBERS PRESENT:** Mayor Trever Johnson  
Councilmembers: Arlin Judd,  
Adrienne Anson, Tyler Rowser  
Cody Blonquist (Excused),  
Rodney Robbins (Excused)

**CITY STAFF PRESENT:**

Sheldon Smith, City Attorney  
Zane DeWeese, Public Works Director  
Nachele Sargent, City Recorder

**PUBLIC IN ATTENDANCE:**

None

**Item 1 – Roll Call:**

A quorum was present.

**Item A – Review, Discussion, and Possible Approval Of Resolution 2016-1 Loan Resolution For USDA Funding For The Water Projects:**

Mayor Trever Johnson stated the City had received approval for funding from the USDA for the Water Projects. He stated they had a loan resolution (Exhibit A) that needed to be adopted for the City to accept the funding and proceed with the approval process. Mayor Johnson stated the USDA had awarded a grant of \$3,935,346.00 and a loan of \$4,809,000.00. He stated this resolution was part of the approval process for the loan agreement for the Master Plan Water Projects.

**A motion was made by Councilmember Adrienne Anson to approve and adopt Resolution 2016-1 Loan Resolution for USDA funding for the Water Projects. Councilmember Arlin Judd seconded the motion. All Ayes. Motion Carried.**

**Roll Call:**

**Councilmember Rowser – Aye  
Councilmember Anson – Aye  
Councilmember Judd - Aye**

**Item B – Council Updates:**

Councilmember Tyler Rowser questioned if Camperworld had made the payments required for their water bill. Niki Sargent stated the payment hadn't come through yet, but they had said they had mailed it. She stated if payment wasn't received she would follow through with shutting off the service. Councilmember Arlin Judd stated he was concerned they wouldn't have the funds to pay their bill. He stated they really needed to get their lines repaired. Zane DeWeese stated he had been in touch with Brody Blonquist, Pine Meadow Special Service District, and they had some new listening devices that they were willing to come over and help to try and locate the lines and leaks there. He stated he would get it scheduled for them to come. Zane stated when they helped Camperworld last year they really didn't have any maps or ideas where the lines ran. They stated they had some previous disgruntled employees that had taken all of the information with them when they left and they were still trying to figure things out.

**Item G – Mayor's Updates:**

Mayor Trever Johnson stated he didn't have any other updates.

**Item H – Executive Session:**

There was not an Executive Session.

**Item # 6 – Adjournment:**

**A motion was made by Councilmember Tyler Rowser to adjourn the meeting. Councilmember Arlin Judd seconded the motion. All ayes. Motion Carried.**

The meeting adjourned at 8:20 A.M.

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Trever Johnson, Mayor

Attest:

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Nachele D. Sargent, City Recorder

# COALVILLE CITY RESOLUTION NUMBER 2016-1

Exhibit A  
City Council  
9/22/16

AN ORDINANCE TO AUTHORIZE A LOAN FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING AND EXTENDING CULINARY WATER FACILITIES AND INFRASTRUCTURE

**WHEREAS,** Utah State Code and Coalville City Ordinances provide for and allow borrowing of funds for purposes of developing and maintaining Coalville City infrastructure, utilities and providing for the needs of the City residents; and

**WHEREAS,** Coalville City has determined that the City's culinary water facilities and infrastructure need to be enlarged, improved and extended; and

**WHEREAS,** public hearings and notifications have been provided.

**NOW, THEREFORE,** the governing body of Coalville City, State of Utah (hereinafter referred to as "Council") ordains as follows:

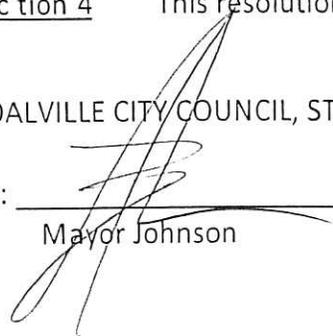
Section 1 The Council authorizes the City to enter into a Loan Resolution for purpose of borrowing funds in the amount of four million eight hundred nine thousand dollars (\$4,809,000.00) as attached hereto as Exhibit "A" for the purpose of acquiring, constructing, enlarging, improving and/or extending Coalville City culinary water infrastructure and facilities .

Section 2 The Council hereby authorizes Mayor Johnson to execute the attached Loan Resolution on behalf of Coalville City.

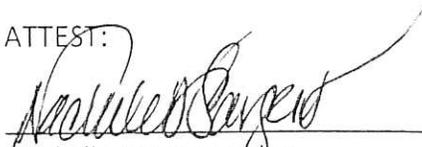
Section 3 The Council also directs and authorizes Mayor Johnson to execute other documents that may be necessary and applicable to facilitate this Loan Resolution.

Section 4 This resolution shall take effect on the 22nd day of September 2016.

COALVILLE CITY COUNCIL, STATE OF UTAH

By:   
Mayor Johnson

Councilmember Blonquist voted	<u>absent</u>
Councilmember Rowser voted	<u>aye</u>
Councilmember Robbins voted	<u>absent</u>
Councilmember Anson voted	<u>aye</u>
Councilmember Judd voted	<u>aye</u>

ATTEST:  
  
Coalville City Recorder

**LOAN RESOLUTION**  
(Public Bodies)

A RESOLUTION OF THE Council

OF THE Coalville City

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND OR EXTENDING ITS

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the Coalville City

*(Public Body)*

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

Four Million Eight Hundred Nine Thousand & 00/100

pursuant to the provisions of State code; and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal ly permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

*According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0121. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.*

- 11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
- 12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
- 13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
- 14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the Government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities and replacement of short lived assets.
- 15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
- 16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
- 17. To accept a grant in an amount not to exceed \$ 3,935,346.00

under the terms offered by the Government; that the \_\_\_\_\_

and \_\_\_\_\_ of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee.

The vote was: Yeas \_\_\_\_\_ Nays \_\_\_\_\_ Absent \_\_\_\_\_

IN WITNESS WHEREOF, the Council \_\_\_\_\_ of the

Coalville City \_\_\_\_\_ has duly adopted this resolution and caused it

to be executed by the officers below in duplicate on this \_\_\_\_\_, \_\_\_\_\_ day of \_\_\_\_\_

By Trevor Johnson  
 \_\_\_\_\_  
 Title Mayor  
 \_\_\_\_\_

(SEAL)  
 Attest: Nachele Parent  
 \_\_\_\_\_  
 Title City Recorder  
 \_\_\_\_\_

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as \_\_\_\_\_ of the Coalville City  
 hereby certify that the Council \_\_\_\_\_ of such Association is composed of  
 \_\_\_\_\_ members, of whom, \_\_\_\_\_ constituting a quorum, were present at a meeting thereof duly called and  
 held on the \_\_\_\_\_ day of \_\_\_\_\_; and that the foregoing resolution was adopted at such meeting  
 by the vote shown above, I further certify that as of \_\_\_\_\_,  
 the date of closing of the loan from the United States Department of Agriculture, said resolution remains in effect and has not been  
 rescinded or amended in any way.

Dated, this \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_  
 Title \_\_\_\_\_

