

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 February 7, 2012, the Governing Board (the "Board") of the Sevier County Special Service District #1 (the "Issuer"), intends to adopt a resolution (the "Resolution") in which it authorizes the issuance of the Issuer's Revenue Bonds, Series 2012 (to be issued in one or more series and with such other series or title designated by the Issuer) (the "Series 2012 Bonds") and calls a public hearing to receive input from the public with respect to (a) the issuance of the Series 2012 Bonds and (b) any potential economic impact that the improvements to be financed with the proceeds of the Series 2012 Bonds (see below) may have on the private sector.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on February 14, 2012, at the hour of 6:00 p.m. at the Sevier County Administration Building, 250 North Main, Richfield, Utah, Utah. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE SERIES 2012 BONDS

The Series 2012 Bonds will be issued for the purpose of financing roads and related improvements, and paying issuance expenses.

PARAMETERS OF THE SERIES 2012 BONDS

The Issuer intends to issue the Series 2012 Bonds in the aggregate principal amount of not to exceed Thirty Million Dollars (\$30,000,000) to bear interest at a rate not to exceed three and one-half percent (3.50%) per annum, to mature in not more than eighteen (18) years from their date or dates, and to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof.

MINERAL LEASE REVENUES AND REVENUES PROPOSED TO BE PLEDGED

The Issuer proposes to pledge its legally available mineral lease revenues and/or other legally available revenues (including but not limited to any revenues from benefited parties of the road improvements) of the Issuer (such revenues to be pledged in combination or separate to one or more series of bonds at the discretion of the Issuer) for repayment of the Series 2012 Bonds.

The Series 2012 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 Board 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 Board, in such form and with such changes thereto as shall be approved by the Board upon the adoption thereof; provided that the principal amount, interest rate or rates, maturity, and discount of the Series 2012 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 Sevier County Auditor/Clerk, located at 250 No. Main, in Richfield, Utah, where they may be examined during regular business hours of the Auditor/Clerk 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 any person in interest shall have the right to contest the legality of the Resolution, the Master Resolution (only as it relates to the Series 2012 Bonds), or the Series 2012 Bonds, or any provision made for the security and payment of the Series 2012 Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

DATED this January 25, 2012

/s/ Dennis O. Larsen

Treasurer