



**EPHRAIM CITY COUNCIL
WORK MEETING AGENDA
Council Chambers – Ephraim City Hall
5 South Main, April 4 21, 2018
5:30 PM**

CALL TO ORDER

ROLL CALL

I. DISCUSSION AGENDA

- A. Discussion of Water Rate Adjustment**
- B. Agenda Review**

ADJOURNMENT

In Accordance with the Americans with Disabilities Act (ADA) this facility is wheelchair accessible and handicap parking is available. Request for accommodations and interpretive services must be made three (3) working days prior to the meeting. Please contact the city office at 283-4631 for information or assistance.

CERTIFICATE OF POSTING

The undersigned, duly appointed City Recorder / Authorized Agent, does hereby certify that the above notice and agenda was posted this 2nd day of April, 2018. A copy was also provided to the local media and posted on the Utah State website.

**LEIGH ANN WARNOCK
EPHRAIM CITY RECORDER**



**EPHRAIM CITY COUNCIL
REGULAR MEETING AGENDA
Council Chambers – Ephraim City Hall
5 South Main, Ephraim, Utah
Wednesday, April 4, 2018
6:00 PM**

CALL TO ORDER

OPENING CEREMONY

The Ephraim City Council invites any community organization, church, or individual resident to present a thought, reading, or invocation in the opening ceremony portion of the public meeting. Those wishing to participate in an Opening Ceremony should contact the City Recorder by the Friday morning preceding the meeting. City Council meetings are held the first and third Wednesdays of each month.

ROLL CALL

PUBLIC COMMENT

Members of the public may address the City Council on matters not listed on the agenda. Those interested should fill out a public comments form to be given to the Mayor prior to the meeting. Each individual will have five minutes to address the Council and may submit documents outlining their issue. The Council cannot take legal action on public comment at this time. At the conclusion of each Public Comment, the Council may respond to criticism made by those who have addressed them, may ask staff to review a matter or may ask that a matter be placed on a future agenda. All City Council meetings are recorded.

I. PRESENTATIONS

A. 2017 Miss Ephraim Report

II. MOTION AGENDA

A. Approval of the April 3, 2018 Warrant Register

B. Approval of the following City Council Meeting Agendas:

- 1. March 21, 2018 Work Meeting Minutes**
- 2. March 21, 2018 Council Meeting Minutes**

III. RESOLUTION AGENDA

A. ECR 18-03: Issuance of Parity Water Revenue Bonds

Consideration for and adoption of a Parameters Resolution authorizing the issuance of Parity Water Revenue Bonds of Ephraim City and calling of a public hearing to receive input with respect to the issuance of such Bonds and any potential impact to the private sector from the construction of project.

B. ECR 18-04: Master Resolution: Terms and Provisions of Bond

Consideration for and adoption of a Master Resolution outlining the terms and provisions of Series 2018 Bond, and serves as exhibit to ECR 18-3.

C. ECR 18-05: Arbor Day Resolution

Adoption of ECR 18-05, a resolution proclaiming a special day be set aside for the planting of trees.

IV. APPOINTMENTS AND COUNCIL REPORTS

Discussion and possible action on the following items:

A. Appointments

B. Council Reports

- City Council may report on meetings/events attended and issues discussed in meetings/events attended by a Councilmember in their official capacity as the City's representative.
- City Council questions regarding the update must be limited solely for clarification purposes. If further discussion is warranted, the issue will be added to a future agenda for a detailed briefing.
- City Council report of upcoming meetings.

4. City Council request for agenda items to be placed on future Council Meeting agendas.

V. DEPARTMENT REPORTS

Department Heads and Administration have an opportunity to report.

VI. CITY MANAGER REPORT

This is the City Manager's opportunity to give notice to the City Council of current events impacting the City. Comments are intended to be informational only and no discussion, deliberation or decision will occur on this item.

VII. CLOSED SESSION

1. The Council will go into a Closed Session pursuant to Utah Code annotated 52-4-5(c) Strategy Session to Discuss Pending or Reasonably Imminent Litigation.

ADJOURNMENT

From time to time, matters are discussed by the City Council that do not appear on the posted agenda. Items that require/request action taken by the City Council will appear in the posted agenda. Submitted Action Items for the Council agenda must be received by the City Recorder's office by the Friday prior to the Council meeting and should be accompanied by any and all supporting written documentation. Without such documentation, the recorder reserves the right to postpone the hearing of any item until such documentation has been submitted.

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LEIGH ANN WARNOCK
EPHRAIM CITY RECORDER

Report Criteria:

Detail report.
Invoices with totals above \$0.00 included.
Paid and unpaid invoices included.

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
ALSCO							
325	ALSCO	2046161	GEN GOVT-CITY HALL MATS	03/26/2018	54.39	.00	
Total ALSCO:					54.39	.00	
ANDERSON, WYATT							
13599	ANDERSON, WYATT	66	CELL PHONE REIMB	04/01/2018	35.00	.00	
Total ANDERSON, WYATT:					35.00	.00	
ANYWHERE COMMUNICATIONS LLC							
12974	ANYWHERE COMMUNICATION	EPH86	GEN GOVT-BACK UP SYSTEM-F	03/22/2018	164.10	.00	
Total ANYWHERE COMMUNICATIONS LLC:					164.10	.00	
BLUE STAKES OF UTAH 811							
950	BLUE STAKES OF UTAH 811	UT201801135	POWER-PROF SERV-FAX NOTI	03/31/2018	64.17	.00	
Total BLUE STAKES OF UTAH 811:					64.17	.00	
BOWN, MAURAKAE R							
14917	BOWN, MAURAKAE R	2	CELL PHONE REIMB - MONTHL	04/01/2018	35.00	.00	
Total BOWN, MAURAKAE R:					35.00	.00	
BROOMHEAD, AARON							
14898	BROOMHEAD, AARON	4	CELL PHONE REIMBURSEMEN	04/01/2018	35.00	.00	
Total BROOMHEAD, AARON:					35.00	.00	
BSN SPORTS							
13580	BSN SPORTS	901873086	REC-BASEBALL-BASEBALLS	03/22/2018	192.00	.00	
13580	BSN SPORTS	901873086	REC-BASEBALL-BASEBALLS	03/22/2018	188.00	.00	
13580	BSN SPORTS	901873086	REC-BASEBALL-YELLOW 12"	03/22/2018	432.00	.00	
13580	BSN SPORTS	901873086	REC-TOURN EXPENSE-YELLO	03/22/2018	432.00	.00	
13580	BSN SPORTS	901873086	REC-SOFTBALL-SOFTBALLS	03/22/2018	198.00	.00	
13580	BSN SPORTS	901873086	REC-TOURN EXP-SOFTBALLS	03/22/2018	198.00	.00	
13580	BSN SPORTS	901873086	REC-TRACK & FIELD-STOPWAT	03/22/2018	168.00	.00	
13580	BSN SPORTS	901873086	REC-BASEBALL-BASES	03/22/2018	480.00	.00	
13580	BSN SPORTS	901873086	REC-TOURN EXP-BASES	03/22/2018	480.00	.00	
13580	BSN SPORTS	901873086	REC-BASEBALL-ANCHOR MOU	03/22/2018	70.00	.00	
13580	BSN SPORTS	901873086	REC-TOURN EXP-ANCHOR MO	03/22/2018	70.00	.00	
13580	BSN SPORTS	901873086	REC-BASEBALL-ANCHOR PLUG	03/22/2018	30.00	.00	
13580	BSN SPORTS	901873086	REC-TOURN EXP-ANCHOR PLU	03/22/2018	30.00	.00	
13580	BSN SPORTS	901873086	REC-BASEBALL-MITTS	03/22/2018	216.00	.00	
13580	BSN SPORTS	901873086	REC-SOFTBALL-MITTS	03/22/2018	248.00	.00	
13580	BSN SPORTS	901873086	REC-BASEBALL-FREIGHT	03/22/2018	50.63	.00	
13580	BSN SPORTS	901873086	REC-TOURN EXP-FREIGHT	03/22/2018	50.63	.00	
Total BSN SPORTS:					3,533.26	.00	
CACHE VALLEY ELECTRIC CO.							
13395	CACHE VALLEY ELECTRIC CO.	52-26868	GEN GOVT-COMPUT HDWR-LA	03/29/2018	1,397.28	.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total CACHE VALLEY ELECTRIC CO.:					1,397.28	.00	
CARVER, KERRY							
1350	CARVER, KERRY	90504	REIMB FOR CELL PHONE	04/01/2018	35.00	.00	
Total CARVER, KERRY:					35.00	.00	
CASTRO, ENRIQUE C.							
13198	CASTRO, ENRIQUE C.	79	REIMB FOR CELL PHONE USE	04/01/2018	35.00	.00	
Total CASTRO, ENRIQUE C.:					35.00	.00	
CHAD WOOLLEY, ATTORNEY AT LAW							
1495	CHAD WOOLLEY, ATTORNEY AT	152416	COURT-PROSECUTOR DUTIES-	03/30/2018	1,400.00	.00	
1495	CHAD WOOLLEY, ATTORNEY AT	152416A	ADMIN-CITY ATTORNEY-APR	03/30/2018	3,100.00	.00	
Total CHAD WOOLLEY, ATTORNEY AT LAW:					4,500.00	.00	
CHERRY, MAKENNA							
14930	CHERRY, MAKENNA	1803	MISS EPHRAIM-SERVICE AWAR	03/28/2018	500.00	.00	
Total CHERRY, MAKENNA:					500.00	.00	
CODALE ELECTRIC SUPPLY, INC							
1715	CODALE ELECTRIC SUPPLY, IN	S6314320.001	POWER-DEPT SUPP	03/27/2018	142.23	.00	
1715	CODALE ELECTRIC SUPPLY, IN	S6316209.001	POWER-DEPT SUPP	03/29/2018	716.69	.00	
Total CODALE ELECTRIC SUPPLY, INC:					858.92	.00	
COUNCIL ON AGING							
1880	COUNCIL ON AGING	93119	MONTHLY DONATION	04/01/2018	625.00	.00	
Total COUNCIL ON AGING:					625.00	.00	
CRAGUN, STEVEN D							
1930	CRAGUN, STEVEN D	9	REIMBCEMENT FOR CELL PHO	04/01/2018	35.00	.00	
Total CRAGUN, STEVEN D:					35.00	.00	
DANIELS, CORY							
2075	DANIELS, CORY	40217	REIMB FOR CELL PHONE	04/01/2018	35.00	.00	
Total DANIELS, CORY:					35.00	.00	
DAVID J. ANGERHOFER, P.C.							
14523	DAVID J. ANGERHOFER, P.C.	1803	COURT-PROF SERV-PUB DEF-	03/31/2018	1,890.00	.00	
Total DAVID J. ANGERHOFER, P.C.:					1,890.00	.00	
DETTAMANI, ROCKY							
14928	DETTAMANI, ROCKY	1803	ELECTRIC-UTIL DEP REFUND	03/20/2018	60.57	.00	
Total DETTAMANI, ROCKY:					60.57	.00	
DOMINION ENERGY							
6745	DOMINION ENERGY	1803	GEN GOV-GAS	03/29/2018	728.38	.00	
6745	DOMINION ENERGY	1803	FIRE-GAS	03/29/2018	503.81	.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
6745	DOMINION ENERGY	1803	STREET- GAS	03/29/2018	185.99	.00	
6745	DOMINION ENERGY	1803	WATER- GAS	03/29/2018	185.99	.00	
6745	DOMINION ENERGY	1803	SEWER- GAS	03/29/2018	185.99	.00	
6745	DOMINION ENERGY	1803	POWER-GAS	03/29/2018	645.20	.00	
6745	DOMINION ENERGY	1803	REC-GAS	03/29/2018	18.21	.00	
Total DOMINION ENERGY:					2,453.57	.00	
EC PRECAST LLC							
14929	EC PRECAST LLC	000021	SEWER-INDUSTRIAL PARK	03/20/2018	1,318.50	.00	
Total EC PRECAST LLC:					1,318.50	.00	
ELM USA, INC.							
14653	ELM USA, INC.	7593	LIBRARY-EQUIP SUPP & MAINT-	12/29/2017	107.75	.00	
Total ELM USA, INC.:					107.75	.00	
EPHRAIM AUTO PARTS-NAPA							
2660	EPHRAIM AUTO PARTS-NAPA	1803C	FIRE-AUTO PARTS	04/03/2018	465.48	.00	
2660	EPHRAIM AUTO PARTS-NAPA	1803C	STREETS-AUTO PARTS	04/03/2018	96.71	.00	
2660	EPHRAIM AUTO PARTS-NAPA	1803C	WATER-AUTO PARTS	04/03/2018	96.71	.00	
2660	EPHRAIM AUTO PARTS-NAPA	1803C	SEWER-AUTO PARTS	04/03/2018	96.71	.00	
2660	EPHRAIM AUTO PARTS-NAPA	1803C	POWER-AUTO PARTS	04/03/2018	145.08	.00	
2660	EPHRAIM AUTO PARTS-NAPA	1803C	POLICE-AUTO PARTS	04/03/2018	48.36	.00	
2660	EPHRAIM AUTO PARTS-NAPA	1803C	POLICE-ANIMAL CONTROL-AUT	04/03/2018	108.01	.00	
Total EPHRAIM AUTO PARTS-NAPA:					1,057.06	.00	
EPHRAIM CITY CORP.							
2670	EPHRAIM CITY CORP.	1803A	UTIL-AIRPORT-AWOS-6312001	04/03/2018	8.45	.00	
2670	EPHRAIM CITY CORP.	1803B	UTIL-AIRPORT-N HANGAR-5228	04/03/2018	29.35	.00	
2670	EPHRAIM CITY CORP.	1803C	UTIL-AIRPORT-SO-5226001	04/03/2018	183.63	.00	
2670	EPHRAIM CITY CORP.	1803D	UTIL-AIRPORT-LOUNGE-522400	04/03/2018	95.45	.00	
2670	EPHRAIM CITY CORP.	1803E	ECHA-UTILITIES-HC # 13	04/03/2018	64.41	.00	
Total EPHRAIM CITY CORP.:					381.29	.00	
FERGUSON GROUP, THE							
14298	FERGUSON GROUP, THE	0218635	ADMIN-PROF SERV-RESEARCH	02/28/2018	52.57	.00	
Total FERGUSON GROUP, THE:					52.57	.00	
FIRE PROTECTION SERVICE							
11633	FIRE PROTECTION SERVICE	1547938	LIBR-FIRE ALARM/SECURITY-Q	04/01/2018	111.00	.00	
Total FIRE PROTECTION SERVICE:					111.00	.00	
GALE/CENGAGE LEARNING							
3035	GALE/CENGAGE LEARNING	63405980	LIBRARY-BOOKS-DEVT GRANT	03/20/2018	25.49	.00	
Total GALE/CENGAGE LEARNING:					25.49	.00	
HANSON, BRANT							
14141	HANSON, BRANT	1803C	ADMIN-MEALS-ICMA REGIONAL	03/20/2018	145.00	145.00	03/20/2018
14141	HANSON, BRANT	1803D	ADMIN-MEALS-APPA-NEW ORL	03/20/2018	240.00	240.00	03/20/2018
14141	HANSON, BRANT	1803E	ADMIN-REIMB FLIGHT-APPA	03/20/2018	458.60	458.60	03/20/2018

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total HANSON, BRANT:					843.60	843.60	
HERMANSEN'S COMPANY INC.							
3550	HERMANSEN'S COMPANY INC.	1803	STREETS-EQUIP SUPP & MAIN	03/31/2018	147.55	.00	
3550	HERMANSEN'S COMPANY INC.	1803	WATER-EQUIP SUPPLIES	03/31/2018	147.55	.00	
3550	HERMANSEN'S COMPANY INC.	1803	SEWER-EQUIP SUPP & MAINT	03/31/2018	147.56	.00	
3550	HERMANSEN'S COMPANY INC.	1803	POWER-EQUIP SUPPLIES	03/31/2018	166.27	.00	
3550	HERMANSEN'S COMPANY INC.	1803	FIRE- SUPPLIES	03/31/2018	168.73	.00	
3550	HERMANSEN'S COMPANY INC.	1803	CEMETARY-SUPPLIES	03/31/2018	4.23	.00	
3550	HERMANSEN'S COMPANY INC.	1803	POLICE-EQUIP SUPP & MAINT	03/31/2018	6.49	.00	
3550	HERMANSEN'S COMPANY INC.	1803	REC-EQUIP SUPP & MAINT	03/31/2018	130.88	.00	
3550	HERMANSEN'S COMPANY INC.	1803	PARKS-EQUIP SUPP & MAINT	03/31/2018	4.23	.00	
Total HERMANSEN'S COMPANY INC.:					923.49	.00	
INTERMOUNTAIN FARMERS ASSOC							
3910	INTERMOUNTAIN FARMERS AS	1009669152	PARKS-GROUND MAINT	03/19/2018	7.98	.00	
Total INTERMOUNTAIN FARMERS ASSOC:					7.98	.00	
JENSEN, JEFF							
4135	JENSEN, JEFF	36	CELL PHONE REIMBURSEMEN	04/01/2018	35.00	.00	
Total JENSEN, JEFF:					35.00	.00	
JVIATION, INC.							
14257	JVIATION, INC.	09 (CM)	AIRPORT-RAMP REHAB	03/26/2018	5,602.01	.00	
Total JVIATION, INC.:					5,602.01	.00	
KIMBALL, BRYAN							
4475	KIMBALL, BRYAN	1804	COM DEVT-MEALS,MILES,LOD	04/02/2018	279.00	.00	
Total KIMBALL, BRYAN:					279.00	.00	
KREBS, DEVON							
14834	KREBS, DEVON	8	CELL PHONE REIM	04/01/2018	35.00	.00	
Total KREBS, DEVON:					35.00	.00	
LANDIS+GYR TECHNOLOGIES LLC							
3735	LANDIS+GYR TECHNOLOGIES	90264564	POWER-SAAS MONTHLY FLAT	03/25/2018	750.00	.00	
3735	LANDIS+GYR TECHNOLOGIES	90264565	POWER-MONTHLY HOSTING C	03/25/2018	6.87	.00	
Total LANDIS+GYR TECHNOLOGIES LLC:					756.87	.00	
LARSEN, JASON							
4665	LARSEN, JASON	90509	REIMB FOR CELL PHONE	04/01/2018	35.00	.00	
Total LARSEN, JASON:					35.00	.00	
LAYTON HOMES, INC.							
12918	LAYTON HOMES, INC.	001411	ECHA-HC LOT # 7	04/02/2018	110.00	.00	
12918	LAYTON HOMES, INC.	001411	ECHA-HC LOT # 13	04/02/2018	110.00	.00	
12918	LAYTON HOMES, INC.	001412	ECHA-HC LOT # 7	04/02/2018	127.68	.00	
12918	LAYTON HOMES, INC.	001412	ECHA-HC LOT # 13	04/02/2018	127.69	.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total LAYTON HOMES, INC.:					475.37	.00	
LES OLSON COMPANY							
4800	LES OLSON COMPANY	EA774972	GEN GOVT-EQUIP SUPP & MAI	03/30/2018	84.06	.00	
4800	LES OLSON COMPANY	EA774972	ADMIN-EQUIP SUPP & MAINT-C	03/30/2018	9.36	.00	
4800	LES OLSON COMPANY	EA774972	COMM DEVT-EQUIP SUPP & MA	03/30/2018	2.77	.00	
4800	LES OLSON COMPANY	EA774972	FINANCE-EQUIP SUPP & MAINT	03/30/2018	42.81	.00	
4800	LES OLSON COMPANY	EA774972	POLICE-EQUIP SUPP & MAINT-	03/30/2018	16.32	.00	
4800	LES OLSON COMPANY	EA774972	REC-EQUIP SUPP & MAINT-CO	03/30/2018	8.68	.00	
Total LES OLSON COMPANY:					164.00	.00	
LEWIS, TROY							
14820	LEWIS, TROY	8	CELL PHONE REIMB	04/01/2018	8.75	.00	
Total LEWIS, TROY:					8.75	.00	
MANN, JOSH							
14178	MANN, JOSH	40	POWER - CELL PHONE REIMB	04/01/2018	35.00	.00	
Total MANN, JOSH:					35.00	.00	
MANTI TELEPHONE COMPANY							
5165	MANTI TELEPHONE COMPANY	1803	GEN GOVT-PHONE	04/01/2018	585.88	.00	
5165	MANTI TELEPHONE COMPANY	1803	POWER-PHONE	04/01/2018	288.22	.00	
5165	MANTI TELEPHONE COMPANY	1803	SEWER-PHONE	04/01/2018	91.47	.00	
5165	MANTI TELEPHONE COMPANY	1803	LIBRARY-PHONE	04/01/2018	166.74	.00	
5165	MANTI TELEPHONE COMPANY	1803	FIRE-PHONE	04/01/2018	48.83	.00	
5165	MANTI TELEPHONE COMPANY	1803	POLICE-PHONES	04/01/2018	99.70	.00	
5165	MANTI TELEPHONE COMPANY	1803	AIRPORT-PHONE	04/01/2018	137.81	.00	
Total MANTI TELEPHONE COMPANY:					1,418.65	.00	
MASON, MARLIN							
5255	MASON, MARLIN	93122	CONTRACT FOR COMPUTERS	04/01/2018	3,000.00	.00	
Total MASON, MARLIN:					3,000.00	.00	
MICROMARKETING LLC							
5450	MICROMARKETING LLC	709949	LIBRARY-BOOKS-DEVT GRANT	03/06/2018	22.39	.00	
5450	MICROMARKETING LLC	709992	LIBRARY-BOOKS-DEVT GRANT	03/06/2018	148.74	.00	
5450	MICROMARKETING LLC	710096	LIBRARY-BOOKS-DEVT GRANT	03/06/2018	308.82	.00	
5450	MICROMARKETING LLC	711331	LIBRARY-BOOKS-DEVT GRANT	03/13/2018	173.39	.00	
5450	MICROMARKETING LLC	712031	LIBRARY-BOOKS-DEVT GRANT	03/20/2018	122.33	.00	
5450	MICROMARKETING LLC	712143	LIBRARY-BOOKS-DEVT GRANT	03/20/2018	161.81	.00	
5450	MICROMARKETING LLC	712642	LIBRARY-BOOKS-DEVT GRANT	03/22/2018	63.10	.00	
Total MICROMARKETING LLC:					1,000.58	.00	
MILLENNIAL VISION, INC.							
5500	MILLENNIAL VISION, INC.	1803	GEN GOVT-SOFTWARE-LASER	03/01/2018	5,182.50	5,182.50	03/22/2018
Total MILLENNIAL VISION, INC.:					5,182.50	5,182.50	
MKJ CONSTRUCTION, LLC							
14373	MKJ CONSTRUCTION, LLC	5172	POWER-PROF SERV-BORE RO	03/12/2018	2,625.00	.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total MKJ CONSTRUCTION, LLC:					2,625.00	.00	
MOUNTAINLAND SUPPLY, LLC							
5640	MOUNTAINLAND SUPPLY, LLC	S102548985.0	WATER-WELL	03/21/2018	882.64	.00	
5640	MOUNTAINLAND SUPPLY, LLC	S102548985.0	WATER-WELL	03/21/2018	231.92	.00	
Total MOUNTAINLAND SUPPLY, LLC:					1,114.56	.00	
NORTH SANPETE DISPOSAL							
5945	NORTH SANPETE DISPOSAL	1803A	GARBAGE COLLECT-1ST CAN-	03/31/2018	6,540.00	.00	
5945	NORTH SANPETE DISPOSAL	1803B	GARBAGE COLLECT-2ND CAN-	03/31/2018	777.50	.00	
Total NORTH SANPETE DISPOSAL:					7,317.50	.00	
OFFICE DEPOT							
5990	OFFICE DEPOT	114463934001	FIN-OFF SUPP-CHAIR MAT	03/09/2018	43.07	.00	
Total OFFICE DEPOT:					43.07	.00	
R & R SNAP							
14527	R & R SNAP	03141813549	SEWER-EQUIP SUPP & MAINT	03/14/2018	139.95	.00	
Total R & R SNAP:					139.95	.00	
SAFETY SUPPLY AND SIGN CO INC							
7280	SAFETY SUPPLY AND SIGN CO	163499	STREETS-DEPT SUPPLIES-PAI	03/27/2018	880.00	.00	
Total SAFETY SUPPLY AND SIGN CO INC:					880.00	.00	
SANPETE COUNTY FIRE DISTRICT #2							
7370	SANPETE COUNTY FIRE DISTRI	1803	FIRE DIST-MAR	03/28/2018	7,218.75	.00	
Total SANPETE COUNTY FIRE DISTRICT #2:					7,218.75	.00	
SANPETE MESSENGER							
7415	SANPETE MESSENGER	6004795	ECHA-PUB NOT-HC LOT #6	03/22/2018	40.00	.00	
7415	SANPETE MESSENGER	6004795	ECHA-PUB NOT-HC LOT #9	03/22/2018	40.00	.00	
Total SANPETE MESSENGER:					80.00	.00	
SANPETE SANITARY LANDFILL							
7440	SANPETE SANITARY LANDFILL	1803	LANDFILL & CITY COLLECTION	03/31/2018	4,730.40	.00	
Total SANPETE SANITARY LANDFILL:					4,730.40	.00	
SCHOLZEN PRODUCTS CO INC							
7505	SCHOLZEN PRODUCTS CO INC	3016913-00	WATER-CYLINDER RENTAL	03/19/2018	72.00	.00	
7505	SCHOLZEN PRODUCTS CO INC	6281200-00	WATER-CAP OUTLAY-CITY WEL	03/19/2018	8,120.00	.00	
7505	SCHOLZEN PRODUCTS CO INC	6283597-00	WATER-DEPT SUPP-METER SE	03/27/2018	1,268.81	.00	
Total SCHOLZEN PRODUCTS CO INC:					9,460.81	.00	
SHERWIN WILLIAMS CO							
12469	SHERWIN WILLIAMS CO	0978-6	STREETS-EQUIP SUPPLIES & M	03/27/2018	536.51	.00	
Total SHERWIN WILLIAMS CO:					536.51	.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
SKYLINE BUILDERS SUPPLY							
7745	SKYLINE BUILDERS SUPPLY	120252	PARKS-EQUIP SUPP & MAINT-T	03/07/2018	501.10	.00	
7745	SKYLINE BUILDERS SUPPLY	120253	PARKS-EQUIP SUPP & MAINT-T	03/06/2018	76.72	.00	
7745	SKYLINE BUILDERS SUPPLY	120498	PARKS-EQUIP SUPP & MAINT-T	03/16/2018	42.32	.00	
Total SKYLINE BUILDERS SUPPLY:					620.14	.00	
SNOW COLLEGE - Cashier							
7825	SNOW COLLEGE - Cashier	1803A	MISS EPH SCHOLARSHIP-MAK	03/28/2018	1,000.00	.00	
7825	SNOW COLLEGE - Cashier	1803B	MISS EPH SCHOLARSHIP-MOR	03/28/2018	500.00	.00	
7825	SNOW COLLEGE - Cashier	1803C	MISS EPH SCHOLARSHIP-ALYS	03/28/2018	500.00	.00	
Total SNOW COLLEGE - Cashier:					2,000.00	.00	
SOUTHWEST PLUMBING SUPPLY							
7990	SOUTHWEST PLUMBING SUPP	S3043330.001	WATER-EQUIP SUPP & MAINT	03/29/2018	5.10	.00	
Total SOUTHWEST PLUMBING SUPPLY:					5.10	.00	
STALLINGS SHEET METAL							
8105	STALLINGS SHEET METAL	I463	GEN GOV-BLDG SUPP & MAINT	11/29/2017	244.00	244.00	03/22/2018
Total STALLINGS SHEET METAL:					244.00	244.00	
STATE OF UT - DIV. OF PURCHASE & G.S.							
12255	STATE OF UT - DIV. OF PURCHA	W8424409	LIBRARY-COPIER LEASE & COP	02/28/2018	171.29	.00	
Total STATE OF UT - DIV. OF PURCHASE & G.S.:					171.29	.00	
THOMSON, BRIAN							
11514	THOMSON, BRIAN	40217	REIMB FOR CELL PHONE	04/01/2018	35.00	.00	
Total THOMSON, BRIAN:					35.00	.00	
THYSSENKRUPP ELEVATOR CORP.							
8725	THYSSENKRUPP ELEVATOR C	3003811495	CO-OP-ELEV MAINT-Q2	04/01/2018	1,175.58	.00	
Total THYSSENKRUPP ELEVATOR CORP.:					1,175.58	.00	
TIMPVIEW ANALYTICAL LAB.							
8750	TIMPVIEW ANALYTICAL LAB.	18C1018	WATER-QUALITY TESTING	03/26/2018	30.00	.00	
Total TIMPVIEW ANALYTICAL LAB.:					30.00	.00	
UAMPS							
8920	UAMPS	1802	POWER-POWER BILL-FEB	03/23/2018	138,355.05	138,355.05	03/26/2018
Total UAMPS:					138,355.05	138,355.05	
UNITED SERVICE AND SALES							
13880	UNITED SERVICE AND SALES	S70103	PARKS-CAP OUTLAY-SOD CUTT	03/07/2018	909.80	.00	
13880	UNITED SERVICE AND SALES	S70103	CEMETERY-CAP OUTLAY-SOD	03/07/2018	909.80	.00	
13880	UNITED SERVICE AND SALES	S70103	STREETS-CAP OUTLAY-SOD C	03/07/2018	909.80	.00	
13880	UNITED SERVICE AND SALES	S70103	WATER-CAP OUTLAY-SOD CUT	03/07/2018	909.80	.00	
13880	UNITED SERVICE AND SALES	S70103	SEWER-CAP OUTLAY-SOD CUT	03/07/2018	909.80	.00	
Total UNITED SERVICE AND SALES:					4,549.00	.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
UT AIRPORT OPERATORS ASSOC							
9070	UT AIRPORT OPERATORS ASS	1803	AIRPORT-CONF REG & MEMB-J	03/20/2018	175.00	175.00	03/21/2018
Total UT AIRPORT OPERATORS ASSOC:					175.00	175.00	
UTAH STATE TAX COMMISSION							
9320	UTAH STATE TAX COMMISSION	1803	UTILITY SALES TAX-MAR	03/30/2018	6,248.44	.00	
Total UTAH STATE TAX COMMISSION:					6,248.44	.00	
WALMART COMMUNITY / GEMB							
9540	WALMART COMMUNITY / GEMB	1803	FIRE-DEPT SUPP	03/22/2018	220.14	.00	
9540	WALMART COMMUNITY / GEMB	1803	ADMIN-WELLNESS	03/22/2018	119.09	.00	
9540	WALMART COMMUNITY / GEMB	1803	ADMIN-OFF SUPP	03/22/2018	28.67	.00	
9540	WALMART COMMUNITY / GEMB	1803	WATER-WATER QUALITY	03/22/2018	1.96	.00	
Total WALMART COMMUNITY / GEMB:					369.86	.00	
WHEELER CAT							
9734	WHEELER CAT	PS000630951	CEMETERY-EQUIP SUPP & MAI	03/21/2018	100.97	.00	
9734	WHEELER CAT	PS000631514	CEMETERY-EQUIP SUPP & MAI	03/22/2018	79.18	.00	
Total WHEELER CAT:					180.15	.00	
WIDMER, STEVE							
12097	WIDMER, STEVE	1804	FINANCE-MEALS & MILES-UGF	04/02/2018	249.40	.00	
Total WIDMER, STEVE:					249.40	.00	
ZEEMAN, COLBY R							
14814	ZEEMAN, COLBY R	9	REIMBURSEMENT FOR CELL P	04/01/2018	35.00	.00	
Total ZEEMAN, COLBY R:					35.00	.00	
ZIONS BANK - BANKCARD CENTER							
9942	ZIONS BANK - BANKCARD CEN	1803	WATER-TRAVEL	03/26/2018	1,781.80	.00	
9942	ZIONS BANK - BANKCARD CEN	1803	LEGIS-TRAINING	03/26/2018	840.00	.00	
9942	ZIONS BANK - BANKCARD CEN	1803	LEGISLATIVE-TRAVEL	03/26/2018	208.58	.00	
9942	ZIONS BANK - BANKCARD CEN	1803	ADMIN-TRAINING	03/26/2018	495.00	.00	
9942	ZIONS BANK - BANKCARD CEN	1803	ADMIN-TRAVEL	03/26/2018	844.03	.00	
9942	ZIONS BANK - BANKCARD CEN	1803	POLICE-TRAVEL	03/26/2018	354.80	.00	
9942	ZIONS BANK - BANKCARD CEN	1803	POLICE-OFFICE SUPP	03/26/2018	54.21	.00	
9942	ZIONS BANK - BANKCARD CEN	1803	POLICE-ANIMAL CONTROL	03/26/2018	50.80	.00	
9942	ZIONS BANK - BANKCARD CEN	1803	REC-SPORTS COMMISSION	03/26/2018	40.80	.00	
9942	ZIONS BANK - BANKCARD CEN	1803	LIBRARY-STORY HOUR	03/26/2018	249.52	.00	
9942	ZIONS BANK - BANKCARD CEN	1803	COMM DEVT-OFF SUPP-GPS S	03/26/2018	600.00	.00	
9942	ZIONS BANK - BANKCARD CEN	1803	COMM DEVT-TRAVEL	03/26/2018	289.20	.00	
9942	ZIONS BANK - BANKCARD CEN	1803	POWER-EMP MTG	03/26/2018	151.60	.00	
9942	ZIONS BANK - BANKCARD CEN	1803	POWER-TRAVEL	03/26/2018	245.93	.00	
Total ZIONS BANK - BANKCARD CENTER:					6,206.27	.00	
ZIONS FIRST NATIONAL BANK							
12089	ZIONS FIRST NATIONAL BANK	1804A	TRUST # 2445914 PRINCIPAL	03/30/2018	638,000.00	.00	
12089	ZIONS FIRST NATIONAL BANK	1804B	TRUST # 2445914 INTEREST	03/30/2018	2,359.63	.00	
12089	ZIONS FIRST NATIONAL BANK	1804C	TRUST # 2445914 CASH ON HA	03/30/2018	106.07-	.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
			Total ZIONS FIRST NATIONAL BANK:		640,253.56	.00	
			Grand Totals:		874,252.11	144,800.15	

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____

Report Criteria:

- Detail report.
- Invoices with totals above \$0.00 included.
- Paid and unpaid invoices included.

Zion's Bank Cards Detail

Zion's Bank Cards Detail		MARCH	
CARD #	AMOUNT	DEPARTMENT	EMPLOYEE
DETAIL			
BRANT	\$ 113.12	Admin	Brant Hanson
	\$ 380.52	Admin	Brant Hanson
	\$ 20.00	Admin	Brant Hanson
	\$ 295.00	Admin	Brant Hanson
	\$ 45.00	Admin	Brant Hanson
	\$ 285.39	Admin	Brant Hanson
	\$ 250.00	Admin	Brant Hanson
	\$ (50.00)	Admin	Brant Hanson
	\$ 1,339.03		
CARD 1	\$ 40.80	Rec	Leah Romero
	\$ 40.80		
CARD 2	\$ 354.80	Police	Colby Zeeman
	\$ 24.44	Animal Control	Maurakae Bown
	\$ 18.55	Animal Control	Maurakae Bown
	\$ 7.81	Animal Control	Maurakae Bown
	\$ 600.00	Community Devt	Bryan Kimball
	\$ 115.50	Library	Lori Voshall
	\$ 28.27	Library	Lori Voshall
	\$ 1,149.37		
CARD 3	\$ 311.14	Public Works	Chad Parry
	\$ 735.33	Public Works	Davis Hayes
	\$ 735.33	Public Works	Jeff Jensen
	\$ 1,781.80		
CARD 4	\$ 9.75	Police	Aaron Broomhead
	\$ 9.75	Police	Aaron Broomhead
	\$ 18.00	Legislative/Power	Richard Wheeler/Cory Daniels
	\$ 149.58	Power	Cory Daniels
	\$ 187.08		
CARD 5	\$ 289.20	Community Devt.	Bryan Kimball
	\$ 25.00	Legislative	Richard Wheeler
	\$ 25.00	Legislative	Richard Wheeler
	\$ 149.58	Legislative	Richard Wheeler
	\$ 840.00	Legislative	Wheeler, Scott, Boothe
	\$ 1,328.78		

CARD 6	\$	34.71	Police	Aaron Broomhead	AMAZON-Desk Organizer
	\$	86.69	Power	Cory Daniels	LOS AMIGOS-Employee meeting
	\$	121.40			
CARD 7	\$	80.36	Power	Cory Daniels	CASABLANCE-MESQUITE-IPSA meeting
	\$	6.99	Power	Wyatt Anderson	CASABLANCE-MESQUITE-IPSA meeting
	\$	64.91	Power	Cory Daniels	LOS AMIGOS-Employee Meeting
	\$	105.75	Library	Lori Voshall	ORIENTAL TRADING-Story Hour supplies
	\$	258.01			
	\$	6,206.27	GRAND TOTAL		

WORK MEETING MINUTES
CITY COUNCIL
CITY COUNCIL CHAMBERS, EPHRAIM CITY HALL
5 SOUTH MAIN, EPHRAIM, UTAH
MARCH 21, 2018
5:30 PM

CALL TO ORDER

The Ephraim City Council convened in a work meeting on Wednesday, March 21, 2018, in the City Council Room. Mayor Squire called the meeting to order at 5:30 p.m.

ROLL CALL

MEMBERS PRESENT

Richard Squire, Mayor
Tyler Alder
John Scott
Greg Boothe
Richard Wheeler

STAFF PRESENT

Brant Hanson, City Manager
Marcus Gilson, City Attorney
Bryan Kimball, Community Dev.
Leigh Ann Warnock, City Recorder
Steve Widmer, Financial Director
Aaron Broomhead, Police Chief

MEMBERS EXCUSED

Margie Anderson, Mayor Pro Tem

DISCUSSION AGENDA

FRANSON CIVIL ENGINEER PRESENTATION

Layne Jensen with Franson Engineering updated the Council on the water projects.

Tunnel: the project was not completed in the time allotted, leaving the City/Engineers with a few options to proceed. Strictly enforcing the contract would likely lead to an unfinished project or legal action, with a second option being to implement a change order requiring the contractor to install a second water line through the tunnel for redundancy, using existing funding for that purpose. Any additional engineering costs would be paid for by the contractor as well as some of the funds for the culinary pipeline. The change order would allow them to divert water August 1st.

Well: poor snow pack and growth on the City have created the need for an additional water source. The springs will produce less than normal quantities this year, and the search has begun to find funding sources and a location for a new well. Funding options include the Utah Division of Drinking Water and a Drought Contingency Grant with WaterSMART.

Applications for both have been submitted. The Division of Drinking Water grant was approved; word on the WaterSMART grant is still a few months out. If the City acquires that funding, costs from 2017 could be submitted toward the grant. The engineers are hopeful the grant would cover more of the cost with no penalty if the full Division of Drinking Water funding is not used. Work is being conducted to identify potential well locations with the least amount of arsenic in the bedrock. A new water system model has been created, and engineers are hoping to be able to blend water from the new well to the old well to improve the quality of the water so that source is not lost.

AGENDA REVIEW

Millennial Vision Contract: The Council reviewed the contract options from Millennial Vision, one to transition the program to the new server, and the other to also include the newest upgrade with internal forms and process library. Staff recommended the upgrade.

ADJOURN

There being no further discussion, Councilmember Wheeler moved the work meeting adjourn. The motion was seconded by Councilmember Boothe. The vote was unanimous. The motion carried.

MINUTES APPROVED:

Mayor

Date

ATTEST:

City Recorder

Date

MINUTES
REGULAR CITY COUNCIL MEETING
CITY COUNCIL CHAMBERS, EPHRAIM CITY HALL
5 SOUTH MAIN, EPHRAIM, UTAH
MARCH 21, 2018
6:00 PM

CALL TO ORDER

The Ephraim City Council convened in a Regular City Council Meeting on Wednesday, March 21, 2018, in the City Council Room. Mayor Squire called the meeting to order at 6:05 p.m.

OPENING CEREMONY

Councilmember Boothe offered an invocation. Mayor Squire led the audience in the Pledge of Allegiance. Councilmember Anderson was excused as she is on vacation.

ROLL CALL

MEMBERS PRESENT

Richard Squire, Mayor
Tyler Alder
John Scott
Greg Boothe
Richard Wheeler

STAFF PRESENT

Brant Hanson, City Manager
Marcus Gilson, City Attorney
Bryan Kimball, Community Dev.
Leigh Ann Warnock, City Recorder
Steve Widmer, Financial Director
Aaron Broomhead, Police Chief

MEMBERS EXCUSED

Margie Anderson, Mayor Pro Tem

PUBLIC COMMENT

No public comment presented.

PRESENTATIONS

No presentations scheduled.

MOTION AGENDA

APPROVAL OF WARRANT REGISTER

The Council reviewed the Warrant Register of March 20, 2018.

Councilmember Alder moved to approve the March 20, 2018 Warrant Register as presented. The motion was seconded by Councilmember Boothe. A roll call vote was called. Voting yes: Councilmembers Scott, Boothe, Wheeler, and Alder. The vote was unanimous. The motion carried.

APPROVAL OF MINUTES

The Council reviewed the minutes of the following meetings:

- February 21, 2018 City Council Work Meeting
- February 21, 2018 Regular City Council Meeting
- March 7, 2018 Regular City Council Meeting

Councilmember Scott moved to approve the February 21, 2018 Council Work Meeting and Regular City Council Meeting Minutes and the March 7, 2018 Regular City Council Meeting Minutes as presented. The motion was seconded by Councilmember Boothe. A roll call vote was called. Voting yes: Councilmembers Scott, Boothe, Wheeler, and Alder. The vote was unanimous. The motion carried.

APPROVAL OF STAFF RECOMMENDATIONS

FRANSON ENGINEER WORK ORDER

Council discussed approval of a work order to allow Franson Engineers to proceed with the well project. The packet contained a summary of work accomplished to date, as well as plans to be completed. Preliminary work has been done for the water rights. Funding has been approved from the Division of Drinking Water. Staff recommendation was to approve the work order.

Councilmember Wheeler moved to approve the work order allowing Franson Engineers to proceed with the well project as presented. The motion was seconded by Councilmember Boothe. A roll call vote was called. Voting yes: Councilmembers Scott, Boothe, Wheeler, and Alder. The vote was unanimous. The motion carried.

SHINGLE MILL SUBDIVISION: BEN GORDON

Planner Bryan Kimball asked for a postponement of this discussion.

MILLENNIAL VISION CONTRACT OPTIONS

The Council reviewed the contract options from Millennial Vision, one to transition the program to the new server, and the other to also include the newest upgrade with internal forms and process library. Staff recommended the upgrade.

Councilmember Boothe moved to approve the second Millennial Vision contract to include transition of the program to the new City server and the upgrade in the amount of \$5,182.50. The motion was seconded by Councilmember Wheeler. A roll call vote was called. Voting yes: Councilmembers Scott, Boothe, Wheeler, and Alder. The vote was unanimous. The motion carried.

APPOINTMENTS AND COUNCIL REPORTS

Tyler Alder

Cemetery – the Cemetery Board talked about having the new flags and poles ready for Scandinavian Days. They will be asking for \$150 donations for the flags and names of donors will be placed at the cemetery.

Greg Boothe

Scandinavian Festival – Greg and Anne Fonville spoke with the president of Snow College regarding their concerns about the destruction of the old science building during the Festival and how that will affect Scandinavian Days. The route for the trucks will be fenced and the City will not be able to use that area. Booths will run part way down 100 N to the post office, and again on Center Street. It is going to be a tight fit. They are currently looking for a location for the car show. Next year there will be a lot more green space on campus and that has been offered for use for the Festival.

John Scott

Planning and Zoning – the Board reviewed an annexation proposal and approved it. A couple of permits have been turned in for sheds. The old credit union building on Main Street will be coming down in the next two weeks; less asbestos was found than anticipated. Ephraim is up to 62% of normal for water. This is a historical low.

CITY MANAGER REPORT

CDBG - the City applied for a CDBG grant for property and water rights to complete the Sanpete America purchase. The application was not accepted.

UAOA Conference – Brant reported hearing about what has been done at the Salt Lake City International Airport. It is going to be huge. He learned about winter operations and met with FAA and UDOT for upcoming funding opportunities. The City will be looking at acquiring land to expand the airport to extend the runway. Snow removal equipment may be purchased which can be left at the airport. That would be funded by an FAA grant.

CLOSED SESSION

At 6:58 p.m. Councilmember Scott moved to go into a closed session pursuant to the provisions of the Utah State Code, Section (c) to discuss pending or reasonably imminent litigation. The motion was seconded by Councilmember Alder. A roll call vote was called. Voting yes: Councilmembers Scott, Boothe, Wheeler, and Alder. The vote was unanimous. The motion carried.

At 7:26 p.m. Councilmember Alder moved the Council adjourn the closed session and reopen the public meeting. The motion was seconded by Councilmember Wheeler. The vote was unanimous. The motion carried.

ADJOURNMENT

There being no further business to come before the Council for consideration, Councilmember Wheeler moved the Regular Council Meeting adjourn at 7:26 p.m. The motion was seconded by Councilmember Boothe. The vote was unanimous. The motion carried.

The next regular City Council meeting is scheduled to be held on Wednesday, April 4, 2018, starting at 6:00 p.m. in the Ephraim City Council room.

MINUTES APPROVED:

Mayor

Date

ATTEST:

City Recorder

Date

Ephraim, Utah

April 4, 2018

The Mayor and City Council (the "Governing Body") of Ephraim City (the "Issuer") met in regular session at the City Office, Ephraim, Utah, at 6:00 o'clock P.M. on Wednesday, the 4th day of April, 2018, with the following members of the Governing Body present:

Richard Squire	Mayor
Greg Boothe	Councilmember
Margie Anderson	Councilmember
John Scott	Councilmember
Richard Wheeler	Councilmember
Tyler Alder	Councilmember

Also present:

Leigh Ann Warnock	City Recorder
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Absent:

After the meeting had been duly called to order and after other matters not pertinent to this Parameters Resolution had been discussed, the City Recorder presented to the Mayor and City Council a Certificate of Compliance With Open Meeting Law with respect to this April 4, 2018, meeting.

STATE OF UTAH)
 : SS.
COUNTY OF SANPETE)

I, LEIGH ANN WARNOCK, the undersigned City Recorder of Ephraim City, Sanpete County, Utah (the "Issuer"), do hereby certify, according to the records of the Issuer, in my official possession and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than 24 hours public notice of the agenda, date, time and place of the April 4, 2018, Regular Meeting held by the Governing Body of said Issuer, by:

(a) causing a Notice of Regular Meeting to be posted at the principal office of the Governing Body at the office of the Issuer, on April 3, 2018, at least 24 hours before the convening of the meeting, in the form attached hereto as Exhibit A; said Notice of Regular Meeting having continuously remained so posted and available for public inspection during the regular office hours of the Governing Body until the convening of the meeting; and

(b) causing a copy of the Notice of Regular Meeting in the form attached hereto as Exhibit A to be provided on April 3, 2018, at least 24 hours before the convening of the meeting to the Sanpete News, a newspaper of general circulation within the geographic jurisdiction of the Issuer and to each local media correspondent, newspaper, radio station or television station which has requested notification of meetings of the Governing Body.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed or imprinted hereon the official seal of the Issuer, this 4th day of April, 2018.

EPHRAIM CITY

By _____
City Recorder

(SEAL)

NOTICE OF AGENDA OF MEETING

* * * * *

PLEASE TAKE NOTICE that the Mayor and City Council of Ephraim City, Sanpete County, Utah, will hold a Regular Meeting on Wednesday, the 4th day of April, 2018, at its regular meeting place, the City Office, Ephraim, Utah, at the hour of 6:00 o'clock P.M.

The Agenda for the meeting consists, in part, of the following:

- (1) Consideration for and adoption of a Parameters Resolution authorizing the issuance Parity Water Revenue Bonds of Ephraim City and calling of a public hearing to receive input with respect to the issuance of such Bonds and any potential impact to the private sector from the construction of Project; and
- (2) Any other business that may come before said meeting.

DATED this 3rd day of April, 2018.

City Recorder

Thereupon, after the conduct of other business not pertinent to the following, the following resolution was introduced in written form by the Mayor and, pursuant to motion duly made by _____ and seconded by _____, was adopted and approved by the following vote:

Yea: Greg Boothe
Margie Anderson
John Scott
Richard Wheeler
Tyler Alder

Nay: None

The Resolution was thereupon signed by the Mayor, was attested and countersigned by the City Recorder and was ordered recorded in the official records of the Issuer.

The Resolution is as follows:

EPHRAIM CITY, SANPETE COUNTY, UTAH
RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ISSUANCE OF PARITY WATER REVENUE BONDS (THE "BONDS") OF EPHRAIM CITY, SANPETE COUNTY, UTAH (THE "ISSUER"), CALLING A PUBLIC HEARING AND ESTABLISHING A TIME, PLACE AND LOCATION FOR SAID PUBLIC HEARING TO RECEIVE INPUT FROM THE PUBLIC WITH RESPECT TO THE ISSUANCE OF BONDS AND ANY POTENTIAL ECONOMIC IMPACT TO THE PRIVATE SECTOR FROM THE CONSTRUCTION OF THE PROJECT TO BE FUNDED BY THE BONDS; PROVIDING FOR A PLEDGE OF WATER REVENUES FOR THE PAYMENT OF THE BONDS; FIXING THE MAXIMUM PRINCIPAL AMOUNT OF THE BONDS; THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE; THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AND RELATED MATTERS.

WHEREAS subject to the limitations set forth herein, Ephraim City, Sanpete County, State of Utah, desires to issue its Parity Water Revenue Bonds (the "Bonds") for the construction of culinary water system improvements, including drilling and equipping a new well, rehabilitating an existing well, installation of a chlorinator and transmission lines, together with related improvements (the "Project"), and pay costs of issuance of the Bonds, pursuant to this Resolution and a Master Resolution (the "Master Resolution"), in substantially the form presented at the meeting at which this Resolution was adopted and which is attached hereto as Exhibit "B"; and

WHEREAS in order to allow for flexibility in setting the financial terms of the Bonds once costs of the Project are finally determined and to optimize debt service costs to the Issuer, the Governing Body of the Issuer desires to grant to the Mayor, in accordance with state law, the authority to approve the interest rates, principal amounts, terms, maturities, redemption features and purchase price at which the Bonds shall be sold and any changes with respect thereto from those terms which were before the Governing Body at the time of adoption of this Resolution, provided that such terms do not exceed the parameters set forth for such terms in Section 1 of this Resolution (the "Parameters"); and

WHEREAS the Issuer, Ephraim City, considers it desirable and necessary and for the benefit of the Issuer to construct the Project to be owned and operated by the Issuer, but does not have on hand money sufficient to pay for the Project; and

WHEREAS the revenues to be derived by the Issuer from the operation of the System (as hereinafter defined) have not been pledged or hypothecated in any manner or for any purpose except to pay principal and interest on the Issuer's Water Revenue Bond, Series 2013 in the original principal amount of \$1,217,000 payable to Zions First National Bank (the "Prior Lien Bonds") and to issue its Bonds (as hereinafter defined), payable from such revenues in the manner for which provision is hereinafter made in order to pay all or part of the cost of the Project; and

WHEREAS the Utah Local Government Bonding Act, Sections 11-14-1 et seq., Utah Code Annotated, 1953, as amended, provides that, prior to issuing bonds an issuing entity must (I) give notice of its intent to issue such bonds and (ii) hold a public hearing to receive input from the public with respect to the issuance of such bonds and any potential economic impact to the private sector from the construction of the Project to be funded by the Bonds; and

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

WHEREAS the Utah Drinking Water Board has offered to purchase the Parity Water Revenue Bonds and on the general terms and conditions as set forth herein;

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Mayor and City Council of Ephraim City, Sanpete County, Utah, as follows:

Section 1. The Mayor and City Council (the "Governing Body") of Ephraim City, Sanpete County, Utah (the "Issuer"), hereby finds and determines that it is in the best interests of the residents within the City for the Issuer to issue its Parity Water Revenue Bonds in the aggregate principal amounts of not to exceed \$1,500,000 at interest rates not to exceed 2.0% per annum, to mature in not more than twenty-five (25) years from its date or dates, pursuant to a resolution to be adopted by the Governing Body authorizing and confirming the issuance and sale of the Bonds. Therefore,

the Issuer hereby declares its intention to issue the Bonds according to the provisions of this Section. The Bonds are to be issued for the purpose of paying all or part of the cost of construction of culinary water system improvements, drilling and equipping a new well, rehabilitating an existing well, installation of a chlorinator and transmission lines, together with related improvements (the "Project") of the Issuer.

The Issuer hereby declares its intention to issue the Bonds according to the provisions of this section; provided, however, that the Bonds shall only be issued by the Issuer after adoption of a Master Resolution by the Governing Body of the Issuer (the "Master Resolution") setting forth the specific terms of the Bonds within the maximum terms herein provided.

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

The Mayor, within the parameters set forth herein, is hereby authorized to approve the interest rates, principal amounts, terms, maturities, redemption features and purchase price at which the Bonds shall be sold.

Section 2. The form, terms and provisions of the Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the Master Resolution. The Mayor and City Recorder of the Issuer are hereby authorized and directed to execute and seal the Bonds.

Section 3. The appropriate officials of the Issuer are authorized to make any alterations, changes or additions to the Master Resolution and the Bonds or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Bonds (within the Parameters set by this Resolution), to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Governing Body or the provisions of the laws of the State of Utah or the United States.

Section 4. The Issuer shall hold a public hearing on May 2, 2018, to receive input from the public with respect to the issuance of the Bonds and any potential impact to the private sector from the construction of the Project to be funded by the Bonds, which hearing date shall be not less than fourteen (14) days after notice of the public hearing is (A) first published once a week for two consecutive weeks in the Sanpete News, a newspaper of general circulation in the Issuer and (B) published on the Utah Public Notice Website created under Section 63F-1-701, Utah Code Annotated 1953, as amended. The Issuer directs its officers and staff to publish a Notice of Public Hearing in substantially the following form:

NOTICE OF PUBLIC HEARING

PUBLIC NOTICE IS HEREBY GIVEN that on April 4, 2018, the Mayor and City Council of Ephraim City (the "Issuer"), adopted a resolution (the "Resolution") declaring its intention to issue its Parity Water Revenue Bonds (the "Bonds") pursuant to the Utah Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended and to call a public hearing to receive input from the public with respect to the issuance of the Bonds.

The Issuer shall hold a public hearing on May 2, 2018, at the hour of 6:00 p.m. The location of the public hearing is in the City Office, 5 South Main Street, Ephraim, Utah. The purpose of the meeting is to receive input from the public with respect to the issuance of the Bonds and any potential economic impact to the private sector from the construction of the Project to be funded by the Bonds. All members of the public are invited to attend and participate.

DATED this 4th day of April, 2018.

/s/ Leigh Ann Warnock
City Recorder

[Publish once each week for two consecutive weeks.]

Section 5. The Issuer shall also cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the Issuer's principal offices for public examination during the regular business hours of the Issuer until at least thirty (30) days from and after the date of publication thereof. The Issuer directs its officers and staff to publish a Notice of Bonds to be Issued in substantially the following form:

NOTICE OF BONDS TO BE ISSUED

PUBLIC NOTICE IS HEREBY GIVEN that on April 4, 2018, the Mayor and City Council of Ephraim City (the "Issuer"), adopted a resolution (the "Resolution") declaring its intention to issue its Parity Water Revenue Bonds (the "Bonds") pursuant to the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended.

The Issuer intends to issue the Bonds in the principal amount of not to exceed \$1,500,000, to bear interest at a rate not to exceed 2.0% per annum, to mature in not to more than 25 years from their date or dates, and to be sold at a price not less than 100% of the total principal amount thereof, plus accrued interest to the date of delivery. The Bonds will specify that any installment of principal and/or interest on the Bonds which shall not be paid when due shall bear interest at the rate of 18% per annum from the due date thereof until paid.

The Issuer intends to issue the Bonds for the purpose of (I) financing all or a portion of the cost of construction of culinary water system improvements, drilling and equipping a new well,

rehabilitating an existing well, installation of a chlorinator and transmission lines, together with related improvements; and (ii) paying costs of issuing the Bonds.

OUTSTANDING BONDS SECURED BY THE SAME REVENUE

The Issuer currently has outstanding bonds secured by the pledge of culinary water system revenues, namely: Water Revenue Bond, Series 2013 in the original principal amount of \$1,217,000 payable to Zions First National Bank.

ESTIMATED TOTAL COST OF THE BONDS

Although the Issuer declared its intention to issue a Bond in a principal amount of up to \$1,500,000 with interest at a rate not to exceed 2.0% per annum, the Issuer currently anticipates that the Bonds will be issued in the amount of \$1,145,000 with interest at the rate of 1.0% per annum. In that case, the estimated total cost for the proposed Bonds would be \$2,081,972.50, which would include interest of \$229,972.50.

NOTICE IS FURTHER GIVEN that a period of 30 days from and after the last date of 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.

A copy of the Resolution is on file in the office of the City Recorder in Ephraim, Utah, where it may be examined during regular business hours of the City Recorder from 8:00 a.m. to 5:00 p.m., Monday through Friday.

DATED this 4th day of April, 2018.

/s/ Leigh Ann Warnock
City Recorder

[Publish one time only.]

* * * * *

Section 6. For a period of thirty (30) days from and after publication of the Notice of Bonds to be Issued, any person in interest shall have the right to contest the legality of this Resolution or the Bonds hereby authorized. After such time, no one shall have any cause of action to contest the regularity, formality or legality of this Resolution or the Bonds for any cause whatsoever.

Section 7. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

PASSED AND APPROVED this 4th day of April, 2018.

EPHRAIM CITY

By _____
Mayor

ATTEST AND COUNTERSIGN:

By _____
City Recorder

[SEAL]

After the conduct of other business not pertinent to the foregoing, it was moved and carried that the Governing Body adjourn.

EPHRAIM CITY

By _____
Mayor

ATTEST:

By _____
City Recorder

[SEAL]

STATE OF UTAH)
 : ss.
COUNTY OF SANPETE)

I, LEIGH ANN WARNOCK, the undersigned, do hereby certify that I am the duly qualified and acting City Recorder of Ephraim City, Sanpete County, Utah (the "Issuer"). I further certify that the above and foregoing constitutes a true and correct copy of the minutes of a regular public meeting of the Mayor and City Council of the Issuer, held on April 4, 2018, including a Resolution adopted at such meeting, together with exhibits and appendices attached thereto, as said minutes, resolution and appendices are recorded in the regular official book of minutes of the proceedings of the Governing Body kept in the office of the City Recorder that said proceedings were duly had and taken as therein shown, that the meeting thereon shown was in all respects called, held and conducted in accordance with law, and that the persons therein named were present at said meeting, as therein shown.

I further certify and I caused a true and correct copy of the above-referenced resolution (including all exhibits and appendices attached thereto) to be filed in the office of the City Recorder for examination by any interested person during the regular business hours of the office of the City Recorder.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of the Issuer, this 4th day of April, 2018.

[SEAL]

DRY

City Recorder

EXHIBIT "B"

MASTER RESOLUTION

[See Transcript Document No. ____]

DRAFT

MASTER RESOLUTION
OF
EPHRAIM CITY, SANPETE COUNTY, UTAH
AS ISSUER
DATED AS OF *, 2018

MASTER RESOLUTION

WHEREAS, Ephraim City, Sanpete County, State of Utah, considers it desirable and necessary and for the benefit of the Issuer to construct, operate and maintain the Project (as hereinafter defined) to be owned and operated by the Issuer, but does not have on hand money sufficient to pay for the Project (as hereinafter defined); and

WHEREAS, pursuant to the provisions of a Resolution adopted on April 4, 2018 (the “Authorizing Resolution”), the Governing Board of the City (the “Governing Board”) has authorized and approved certain actions to be taken by the City in connection with the financing of the Project, including the adoption of this Master Resolution and the issuance of the Series 2018 Bonds hereunder; and

WHEREAS, it has been determined by the City that the estimated amount necessary to finance the Project, including necessary expenses incidental thereto, will require the issuance, sale and delivery of the Series 2018 Bonds in the principal amount of \$1,145,000, as hereinafter provided; and

WHEREAS, the City has determined that the Series 2018 Bonds shall be secured as provided herein and has ascertained and determined that the provisions herein contained for protecting and enforcing the rights and remedies of the registered owners of such Series 2018 Bonds are reasonable, proper and in accordance with law, and that this Master Resolution is necessary to the performance of its duties and the execution of its powers under law, and does deem and determine all of the provisions herein contained to be reasonable and proper for the security of the registered owners of the Series 2018 Bonds; and

WHEREAS, all acts and things required by law to make this Master Resolution a valid and binding instrument for the security of all Bonds duly issued hereunder have been done and performed, and the execution and delivery of this Master Resolution have been in all respects duly authorized; and

WHEREAS, the Series 2018 Bonds in registered form are to be in substantially the appropriate form set forth in Section 2.6 and if issued as Exchange Bonds are to be in substantially the appropriate form set forth in Section 2.8, with appropriate variations, omissions and insertions as permitted or required by this Master Resolution; and

WHEREAS, all things necessary to make the Series 2018 Bonds when authenticated by the City and issued as in this Master Resolution provided, the valid, binding and legal obligations of the City according to the import thereof, and to constitute this Master Resolution a valid assignment and pledge of the amounts pledged to the payment of the principal on the Series 2018 Bonds, and to

constitute this Master Resolution a valid assignment of the rights of the City with respect to the Project have been done and performed and the creation, execution and delivery of this Master Resolution, and the creation, execution and issuance of the Series 2018 Bonds, subject to the terms hereof, have in all respects been duly authorized:

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Mayor and City Council of Ephraim City, Sanpete County, Utah, as follows:

ARTICLE I

DEFINITIONS

As used in this Master Resolution, the following terms shall have the following meanings unless the context clearly indicates otherwise:

"Act" means the provisions of the Local Government Bonding Act of the State of Utah, Chapter 14, Title 11, Utah Code Annotated, 1953, as amended and the Registered Public Obligations Act of the State of Utah, Chapter 7, Title 15, Utah Code Annotated, 1953, as amended.

"Annual Bond Service Requirements" means the maximum amount required to be paid into the Bond Fund for payment of principal and interest, if any, on the Bond in any given Bond Fund Year.

"Annual Net Revenues" means the Net Revenues for any 12 consecutive calendar months.

"Bonds" or "Series 2018 Bonds" shall mean the Parity Water Revenue and Refunding Bond, Series 2018 (sometimes hereinafter referred to as the "Series 2018 Bond") of Ephraim City, Sanpete County, State of Utah, in aggregate principal amounts of \$1,145,000, authorized hereby and shall mean, alternately, interchangeably, or collectively, the single Fully Registered Bonds or the Serial Bonds issued in lieu of a Fully Registered Bond.

"Bond Documents" means this Master Resolution.

"Bondholder" means the person or persons in whose name or names a Bond shall be registered on the books of the City kept for that purpose in accordance with provisions of this Master Resolution.

"Capital Facilities Replacement Fund" means an account into which shall be placed annual deposits representing 5% of the annual operating budget of the System, inclusive of debt service and depreciation.

"Delivery Date" means the date the Bond or Bonds are delivered to the initial purchaser and this date to be known on the Bond or Bonds as the issue date.

"Depository" or "Depository Bank" means a Qualified Depository (defined hereinafter).

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

"Escrow Account" means an account to be held in escrow by the Escrow Agent pursuant to an Escrow Agreement to be entered into between the Issuer and the Drinking Water Board on the date of delivery of the Series 2018 Bond, said account to be used for the purpose of depositing the proceeds of the sale of the Series 2018 Bond as well as certain grant monies and supervising said proceeds pursuant to the terms of the Escrow Agreement.

"Escrow Agent" means the Utah State Treasurer, who shall so act pursuant to the terms of the Escrow Agreement hereinabove referred to.

"Executive Officer" means the Mayor of the Issuer.

"First Payment Date" means a payment of principal and interest on January 1, 2020 (provided, however, that there shall also be a payment of interest only on January 1, 2019).

"Fully Registered Bond" means a single Fully Registered Bond in the denomination equal to the aggregate amount of the Bonds authorized herein.

"Future Parity Bonds" means any bonds hereafter issued by the Issuer on a parity with the Bond herein authorized pursuant to the conditions and restrictions set forth in Article V hereof.

"Governing Body" means the Mayor and City Council of the Issuer.

"Installment Amount" means the amount of each annual registered installment of principal and interest on the Bond, as shown in the Repayment Schedule in the Bond.

"Issue Amount" means the principal amount of the Bonds authorized to be issued hereunder which is the sum of \$1,145,000.

"Issuer" means Ephraim City, Sanpete County, Utah.

"Master Resolution" means this resolution providing for the issuance of a revenue bond payable from the Revenues of the System, as from time to time amended or supplemented in accordance with the provisions hereof.

"Net Revenues" means the Revenues remaining after provision has been made for the payment therefrom of Operation and Maintenance Expenses.

"Outstanding" or "Outstanding Bonds" means any Bond which has been issued and delivered

in accordance with the provisions hereof; but shall not include a Bond in lieu of which another Bond has been issued to replace a mutilated, lost, destroyed or stolen bond.

"Payment Date" means the 1st day of January in each year beginning with the year 2020, provided, however, that there shall also be a payment of interest only on January 1, 2019.

"Payment Years" means the years in which an Installment Amount comes due, described as the years 2020 through 2039.

"Permitted Investments" means those investments specified in Section 51-7-11, Utah Code Annotated, 1953, as amended.

"Pledged Revenues" means 100% of the Net Revenues hereinafter pledged to the payment of the Revenue Bonds.

"Prior Lien Bonds" means Issuer's Water Revenue Bond, Series 2013 in the original principal amount of \$1,217,000 payable to Zions First National Bank.

"Project" means the construction of culinary water system improvements, drilling and equipping a new well, rehabilitating an existing well, installation of a chlorinator and transmission lines, together with related improvements, and in all other respects to pay the cost of foregoing including engineering and expenses and costs of and issuance of the bonds and to acquire and provide all appurtenant facilities therefor, together with all necessary or related work and improvements.

"Qualified Depository" means a depository institution constituting a "qualified depository" under Chapter 7 of Title 51, Utah Code Annotated 1953, as amended.

"Reserve Fund Installment" means an annual payment in an amount equal to 1/10th of the Reserve Fund Requirement.

"Reserve Fund Requirement" means an amount equal to the maximum annual installment of principal and interest.

"Revenues" means all income and revenue of any kind derived from the operation of the System including the proceeds of all connection charges not applied directly to the payment of the cost of improving or extending the system or of making connections thereto and all interest earned by and profits derived from the sale of investments made with the Revenues.

"Serial Bonds" means the registered \$1000 denomination parity water revenue bonds which may be issued in exchange for the Fully Registered Bond.

"System" means the complete water system of the Issuer, including the Project and any other

properties now or hereafter owned or operated by the Issuer relating to said system and as may hereafter be improved and extended, including specifically all properties of every nature owned by the Issuer and used or useful in the operation of said system, including real estate, personal and intangible properties, contracts, franchises, leases and choses in action, whether lying within or without the boundaries of the Issuer.

"Year" means the twelve-month period beginning on January 1st of each calendar year and ending on the next succeeding December 31st.

Except where the context otherwise requires, words importing the singular number shall include the plural and vice versa, and words importing the male gender shall include the female gender and vice versa.

ARTICLE II

TERMS AND PROVISIONS OF SERIES 2018 BOND

Section 2.1. Purpose and Authority.

(a) The Governing Body hereby finds, determines and declares that the Project to be acquired, constructed, improved and extended with the proceeds of the Series 2018 Bond is necessary for the proper operation of the System and is economically feasible, and the Revenues will be sufficient to retire the Series 2018 Bond.

(b) For the purpose of paying the cost of the Project, including the payment of all fees and expenses incident thereto and to the issuance of the Series 2018 Bond, the Series 2018 Bond shall be issued in the amount or amounts set forth on the Bond. The Series 2018 Bond shall be payable solely from the Revenues to be derived from the operation and ownership of the System, as more specifically provided herein, and, to the extent available, monies remaining in the Escrow Account as described in Section 3.1 upon completion of the Project.

Section 2.2. Parity Designation. The Series 2018 Bond is issued and sold upon a par with the Issuer's Water Revenue Bond, Series 2013 in the original principal amount of \$1,217,000 payable to Zions First National Bank (the "Prior Lien Bonds"). Neither the Series 2018 Bond nor the Prior Lien Bonds shall be entitled to any priority one over the other in the application of the Net Revenues of the System pledged to the payment of the Series 2018 Bond and the Prior Lien Bonds, regardless of the time or times of their issuance or delivery and there shall be no priority between the Series 2018 Bond or the Prior Lien Bonds in any rights provided in this Master Resolution for entitlement to payment or provisions made for payment.

Section 2.3. Designation and Terms of the Series 2018 Bond. The Series 2018 Bond shall be designated as the "Parity Water Revenue and Refunding Bond, Series 2018," shall be dated as of the date of delivery to the Drinking Water Board, shall be issued as a single fully-registered bond,

without coupons, in the denomination of the amount or amounts set forth on the Bond and shall be numbered R-1, the principal amount of which shall bear interest at the rate of 1.0% per annum and shall be in the denomination of the amount set out as the Total Principal Sum in the form of the Series 2018 Bond. Interest shall be payable on the same day as the due date for a payment of principal.

Any installment of principal and interest which shall not be paid when due shall bear interest, to the extent permitted by law, at the rate of eighteen percent (18%) per annum from the date of maturity of such installment until that installment is paid.

Subject to prepayment of principal as herein provided, principal on the Series 2018 Bond shall be payable in the number of annual registered installments equal to the number of Payment Years, with no provision for any grace period as to the due date of such payments; provided, however, that the last such installment payment shall be in such amount as will pay the remaining principal due on the Series 2018 Bond on the date of such payment each in the amount of the Installment Amount, due on the Payment Date of each of the Payment Years. Each payment shall be first applied to any applicable interest accrued to the date of payment of that installment, then to principal. Principal of and interest on the Series 2018 Bond shall be payable in any coin or currency which, on the respective dates of payments, is legal tender for the payment of debts to the United States of America and, except as hereinafter otherwise provided, shall be made by check or draft mailed to the Office of the Drinking Water Board in Salt Lake City, Utah, or to its designee or to such other registered owner of the Series 2018 Bond as is shown on the registration books maintained by the Issuer at the close of business on the fifteenth day of the month next preceding each Payment Date at the address of such registered owner as it appears on such registration books or to such other address furnished in writing by such registered owner to the Issuer, and payment shall be endorsed thereon in the payment record attached thereto.

The single, Fully-Registered Bond may be exchanged for Serial Bonds in increments of \$1000 at the option of the holder.

Section 2.4. Prepayment Provisions and Provisions Regarding Notation of Payments - Series 2018 Bond.

(a) The Series 2018 Bond shall be subject to prepayment at the option of the Issuer at any time in whole or in part in multiples of \$1000 as to each bond plus accrued interest, if any, to the date of prepayment, and without premium. In the event of a partial prepayment, each installment payment due on the Payment Date of each Payment Year after such partial prepayment shall remain in the Installment Amount regardless of any such partial prepayment; provided that any such partial prepayment shall reduce the principal due on the Series 2018 Bond in inverse order of installment maturities; and provided further that the final payment on the Series 2018 Bond shall be fully sufficient to pay all principal remaining due thereon. With the exception of prepayments described in Section 3.1, each prepayment on the Series 2018 Bond shall be applied to any interest then due on the Series 2018 Bond and then to principal. Notice of any call for prepayment shall be

given by registered mail not less than 30 days prior to the prepayment date to the State or to its designee, or to such other registered owner of the Series 2018 Bond as is shown on the registration books at the close of business on the fifteenth day next preceding the mailing of such prepayment notice at the registered owner's address as shown on such registration books or at such other address furnished in writing by such registered owner to the Issuer.

(b) In the event of a partial prepayment, such prepayment shall be made in the manner provided for herein for the payment of Installment Amounts (except that prepayments need not be made on Payment Dates) and endorsed on the Series 2018 Bond on the prepayment record attached thereto.

(c) If notice of prepayment shall have been given as aforesaid, the Series 2018 Bond or the portion thereof specified in said notice shall become due and payable at the prepayment price and on the prepayment date therein designated and if, on the prepayment date, money for the payment of the prepayment price of the Series 2018 Bond or the portion thereof to be prepaid shall be available for such prepayment on said date, then from and after the prepayment date, interest, if any, on the Series 2018 Bond or the portion thereof so called for prepayment shall cease to accrue and become payable.

(d) The registered owner of the Series 2018 Bond shall endorse any payment or prepayment of principal on the Series 2018 Bond upon the payment record or prepayment record attached to the Bond.

Section 2.5. Execution of Series 2018 Bond and Representations Relating to the Master Resolution. The Series 2018 Bond shall be executed on behalf of the Issuer by the manual signature of the Executive Officer and attested and countersigned by the manual signature of the City Recorder. The City Recorder shall impress or imprint the official seal of the Issuer on the Series 2018 Bond. The Treasurer is authorized and directed to complete the Certificate of Dates of Payment and Amount on the Series 2018 Bond. All of the covenants, promises, statements, recitals, representations and agreements contained in the Series 2018 Bond and this Master Resolution are hereby considered and understood, and it is hereby ordered and declared that the covenants, promises, statements, recitals, representations and agreements therein and herein are covenants, promises, statements, recitals, representations and agreements of the Issuer.

Section 2.6. Form of Series 2018 Bond: The Series 2018 Bond shall be in substantially the following form:

**UNITED STATES OF AMERICA
STATE OF UTAH
COUNTY OF SANPETE
EPHRAIM CITY**

R-1

PARITY WATER REVENUE AND REFUNDING BOND, SERIES 2018

THIS BOND HAS BEEN DESIGNATED BY THE AUTHORITY AND THE CITY 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.

<u>Principal Sum</u>	<u>Interest Rate</u>	<u>Original Issue Date</u>
\$1,145,000.00	1.0%	_____, 2018

Ephraim City, Sanpete County, Utah (the "Issuer") for value received, promises to pay from the special fund hereinafter described and in the manner hereinafter set forth, and not otherwise, to the order of the registered owner hereof, the Total Principal Sum set forth in the Certificate of Dates of Payment and Amount (hereinafter "Principal Certificate") set forth in the Certificate of Dates of Payment and Amount (hereinafter "Principal Certificate") set forth at the end of this Bond, but in no event more than a Maximum Principal Amount of ONE MILLION ONE HUNDRED FORTY-FIVE THOUSAND DOLLARS (\$1,145,000.00) in thirty (30) annual installments due January 1st of each of the years set forth below:

<u>Maturity Date</u> <u>June 1st</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Amount</u>	<u>Total</u> <u>Amount</u>
2019	\$ 0.00	\$ TBD	\$ TBD
2020	\$52,000.00	\$11,450.00	\$63,450.00
2021	\$53,000.00	\$10,930.00	\$63,930.00
2022	\$53,000.00	\$10,400.00	\$63,400.00
2023	\$54,000.00	\$ 9,870.00	\$63,870.00
2024	\$54,000.00	\$ 9,330.00	\$63,330.00
2025	\$55,000.00	\$ 8,790.00	\$63,790.00
2026	\$55,000.00	\$ 8,240.00	\$63,240.00
2027	\$56,000.00	\$ 7,690.00	\$63,690.00
2028	\$56,000.00	\$ 7,130.00	\$63,130.00
2029	\$57,000.00	\$ 6,570.00	\$63,570.00
2030	\$57,000.00	\$ 6,000.00	\$63,000.00
2031	\$58,000.00	\$ 5,430.00	\$63,430.00
2032	\$59,000.00	\$ 4,850.00	\$63,850.00
2033	\$59,000.00	\$ 4,260.00	\$63,260.00
2034	\$60,000.00	\$ 3,670.00	\$63,670.00

2035	\$60,000.00	\$ 3,070.00	\$63,070.00
2036	\$61,000.00	\$ 2,470.00	\$63,470.00
2037	\$61,000.00	\$ 1,860.00	\$62,860.00
2038	\$62,000.00	\$ 1,250.00	\$63,250.00
2039	\$63,000.00	\$ 630.00	\$63,630.00

To each installment of principal there shall be added interest accruing from the date of issuance, at the rate of One (1.0%) per cent per annum on the entire balance remaining due under this Bond. Interest shall be payable on the same day as the due date for a payment of principal; provided, however, that there shall also be a payment of interest only on January 1, 2019.

If less than the Maximum Principal Amount is advanced, the principal amount payable on the due date shall be the total unpaid principal sum set forth in the "Treasurer's Certificate of Dates of Payment and Amount". The Issuer shall pay the Installment Amounts on each Payment Date thereafter and liability of Issuer shall continue until the Total Principal Sum, together with accrued interest, if any, shall be paid in full, irrespective of the initial amount advanced by the Purchaser.

Any installment of principal and/or interest hereof which shall not be paid when due shall bear interest at the rate of eighteen (18%) per cent per annum from the date of maturity of such installment until paid. This Bond is payable in lawful money of the United States of America by check or draft of the Issuer mailed to the State of Utah Department of Environmental Quality, Drinking Water Board, Salt Lake City, Utah, or its designee, or to such other registered owner hereof, as such registered owner is shown on the registration books maintained by the Issuer at the close of business on the fifteenth day of the month next preceding each installment payment date at the address of such registered owner as it appears on such registration books or to such other address as is furnished in writing by such registered owner to the Issuer. The registered owner of this Bond, by acceptance hereof, agrees that such registered owner shall endorse each payment received on the Payment Record attached hereto. Payments received on this Bond shall be applied first to the payment of interest payable and then to principal.

THE ISSUER IS OBLIGATED TO PAY PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST, IF ANY, ON THIS BOND SOLELY FROM THE REVENUES (THE "REVENUES") DERIVED FROM THE ISSUER'S CULINARY WATER SYSTEM ("SYSTEM") AND OTHER FUNDS OF THE ISSUER PLEDGED THEREFOR UNDER THE TERMS OF THE MASTER RESOLUTION (AS HEREINAFTER DEFINED). THIS BOND IS NOT A DEBT OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION ON INDEBTEDNESS. PURSUANT TO THE MASTER RESOLUTION, REVENUES FROM THE SYSTEM HAVE BEEN PLEDGED AND WILL BE SET ASIDE INTO SPECIAL FUNDS BY THE ISSUER TO PROVIDE FOR THE PROMPT PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST, IF ANY, ON THIS BOND.

This Bond is issued in conformity with and after full compliance with the Constitution of the State of Utah and pursuant to the provisions of the Act (as hereinafter defined) and all other laws applicable thereto.

This Bond is also issued and sold upon a par with the Issuer's Water Revenue Bond, Series 2013 in the original principal amount of \$1,217,000 payable to Zions First National Bank (the "Prior Lien Bonds"). This Bond and the Prior Lien Bonds shall not be entitled to any priority one over the other in the application of the Net Revenues of the System (as defined in the Resolution described below) pledged to the payment of this Bond and the Prior Lien Bonds, regardless of the time or times of their issuance or delivery and there shall be no priority between this Bond or among this Bond and the Prior Lien Bonds in any rights provided in the Resolution authorizing the same for entitlement to payment or provisions made for payment.

This Bond is a special obligation of the Issuer and is the only one of an issue of a total series of fully-registered Parity Water Revenue and Refunding Bond, designated as "Parity Water Revenue and Refunding Bond, Series 2018", in the aggregate principal amount of \$1,145,000, dated as of the date set forth below and is issued under, by virtue of, in full conformity with and after full compliance with the Constitution and laws of the State of Utah, including particularly the Utah Local Government Bonding Act, Chapter 14 of Title 11, Utah Code Annotated 1953, as amended, the Registered Public Obligations Act, Chapter 7 of Title 15, Utah Code Annotated, 1953, as amended, (collectively the "Act") and is issued under, secured by and entitled to the protection of the Master Resolution dated as of *, 2018, by the City (which Master Resolution, as from time to time amended and supplemented, is hereinafter referred to as the "Master Resolution") and duly adopted by the City, for the purpose of paying all or part of the cost of construction of culinary water system improvements, drilling and equipping a new well, rehabilitating an existing well, installation of a chlorinator and transmission lines, together with related improvements (the "Project") including, without limitation, all fees and expenses reasonably incurred in connection therewith and with the issuance of such bonds as may be properly payable from the proceeds thereof. Principal and interest on this Bond is payable solely from the revenues, funds and other monies pledged or provided therefor under the terms of the Master Resolution.

This Bond is dated as of date of delivery and is duly issued under and by virtue of the Act and under and pursuant to the Master Resolution. A copy of the Master Resolution is on file at the office of the City Recorder of the Issuer in Ephraim, Utah, and reference to the Master Resolution and to the Act is made for a description of the pledge and covenants securing the Series 2018 Bond, the nature, manner and extent of enforcement of such pledge and covenants, the terms and conditions upon which the Bond is issued and a statement of the rights, duties, immunities and obligations of the Issuer. Such pledge and other obligations of the Issuer under the Master Resolution may be discharged at or prior to the maturity or redemption of the Series 2018 Bond upon the making of provision for the payment thereof on the terms and conditions set forth in the Master Resolution.

To the extent and in the respects permitted by the Master Resolution, the Master Resolution may be modified or amended by action on behalf of the Issuer taken in the manner and subject to the

conditions and exceptions prescribed in the Master Resolution. The holder or owner of this Bond shall have no right to enforce the provisions of the Master Resolution or to institute action to enforce the pledge or covenants made therein or to take any action with respect to an event of default under the Master Resolution or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Master Resolution.

This Bond is transferable, as provided in the Master Resolution, only upon the books of the Issuer kept for that purpose at the office of the City Recorder of the Issuer by the registered owner hereof in person or by his attorney duly authorized in writing. The Issuer may treat and consider the person in whose name this Series 2018 Bond is registered as the holder and absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest, if any, payable hereon and for all other purposes whatsoever.

Subject to the provisions of the Master Resolution, the Series 2018 Bond is issuable in fully registered form, without coupons, in a denomination equal to the aggregate principal amount of the Series 2018 Bond or, upon exchange, in the denomination of \$1000 and any integral multiple thereof.

This Bond is subject to redemption at any time at the option of the Issuer in whole or in part (if in part, in integral multiples of \$1000) in inverse order of the due date of the principal installments hereon, upon notice given as hereinafter set forth, at a redemption price equal to the principal amount to be so redeemed, and without premium. The registered owner of this Series 2018 Bond, by acceptance hereof, agrees to endorse each such redemption on the Prepayment Record attached hereto.

Notice of redemption shall be given by the Issuer by registered mail, not less than 30 days nor more than 45 days prior to the redemption date, to the registered owner of this Bond, at his address as it appears on the bond registration books of the Issuer, or at such address as he may have filed with the Issuer for that purpose. Each notice of redemption shall state the redemption date and the principal amount to be redeemed.

If notice of redemption shall have been given as aforesaid, the Bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated.

Except as otherwise provided herein and unless the context clearly indicates otherwise, words and phrases used herein shall have the same meanings as such words and phrases in the Master Resolution.

In accordance with Section 265 of the 1986 Internal Revenue Code, the Issuer designates this Bond as an issue qualifying for the exception to the rule denying banks and other financial institutions the deduction for interest expenses allocable to tax-exempt interest. The Issuer reasonably anticipates that the total amount of qualified tax-exempt obligations (other than private

activity bonds as defined in Section 141 of the 1986 Internal Revenue Code) which will be issued by the Issuer and by any aggregated issuer during the current calendar year will not exceed \$10,000,000. The total amount of obligations designated by the Issuer and all aggregated issuers for the current calendar year does not exceed \$10,000,000.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Utah or by the Act or the Master Resolution to exist, to have happened or to have been performed precedent to or in the issuance of this Bond exist, have happened and have been performed and that the issue of the series of Bonds of which this Bond is a part, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by said Constitution and statutes.

IN WITNESS WHEREOF, Ephraim City, Sanpete County, Utah, has caused this Bond to be signed by its Mayor and attested and countersigned by its City Recorder and the official seal of Ephraim City, Sanpete County, Utah, to be impressed or imprinted hereon, all as of the ____ day of _____, 2018.

EPHRAIM CITY

(DO NOT SIGN-FORM ONLY)

By _____
Mayor

ATTEST AND COUNTERSIGN:

(DO NOT SIGN-FORM ONLY)

By _____
City Recorder

(SEAL)

CERTIFICATE OF DATES OF PAYMENT AND AMOUNT

I, the undersigned duly authorized representative of the Utah Drinking Water Board, hereby certify that the Utah Drinking Water Board has delivered to the Issuer the amount or amounts indicated below on the date or dates set forth opposite such amount(s); that the amount last inserted under the column "Total Principal Sum" is the total amount delivered to the Issuer as principal indebtedness under this Bond. I further certify that I have received written authorization from the Issuer to enter said amounts on this certificate.

<u>Amount of Payment</u>	<u>Date of Payment</u>	<u>Total Principal Sum</u>	<u>Authorized Signature</u>
\$ _____	_____	_____	_____
\$ _____	_____	_____	_____
\$ _____	_____	_____	_____
\$ _____	_____	_____	_____

REGISTRATION CERTIFICATE

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

<u>Date of Registration</u>	<u>Name of Registered Owner</u>	<u>Signature of Bond Registrar</u>
_____	State of Utah, Dept of Environmental Quality Drinking Water Board Salt Lake City, Utah	_____
_____	_____	_____
_____	_____	_____

PREPAYMENT RECORD

I, the undersigned registered owner or authorized officer of the registered owner of the bond to which this Payment Record is attached (the "Owner"), hereby certify that the Owner has received from Ephraim City, Sanpete County, Utah, the amounts indicated below on the dates set forth opposite such amounts in repayment of the loan of \$1,145,000 to Ephraim City, Sanpete County, Utah, as referenced by the bond to which this Prepayment Record is attached and have placed my signature in the space provided opposite such amounts to evidence receipt of same.

As long as the State of Utah, Department of Environmental Quality, Drinking Water Board, is the registered owner of the Bond to which this Prepayment Record is attached, the Chairman of said Board shall sign below as the owner of such Bond.

Principal Due

<u>Date</u>	<u>Amount</u>	<u>Payment</u>	<u>Principal Balance</u>	<u>Date Paid</u>	<u>Name, Title and Signature of Owner or Authorized Officer Thereof</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

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

_____ /

Insert Social Security or Other
Identifying Number of Assignee

(Please Print or Typewrite Name and Address of Assignee)

the within Bond of Ephraim City, Sanpete County, Utah, and does hereby irrevocably constitute and appoint _____ 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: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of The New York Stock Exchange or a commercial bank or trust company.

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

Section 2.7. Exchange of the Series 2018 Parity Water Revenue and Refunding Bond for Serial (Exchange) Bonds. It is recognized that the Drinking Water Board may sell or otherwise transfer the Series 2018 Bond pursuant to the provisions of the State Financing Consolidation Act, Title 63, Chapter 65, Utah Code Annotated, 1953, as amended, or otherwise. The Series 2018 Bond, may be exchanged at the office of the Issuer for a like aggregate principal amount of Serial Bonds in accordance with the provisions of this Section 2.7. Serial Bonds shall be substantially in the form set forth in Section 2.8 hereof and shall be in increments of \$1000. Each Principal Installment on the Series 2018 Bond not previously paid or cancelled shall be represented by an equivalent principal amount of Serial Bonds, in authorized denominations and of like maturity. The Issuer and its officers shall execute and deliver such documents and perform such acts as may reasonably be required by the Issuer to accomplish the exchange of the Series 2018 Bond for Serial Bonds and the Issuer shall pay or cause to be paid all costs and other charges incident to such exchange.

Section 2.8. Form of Serial Bond. The Serial Bond shall be in substantially the following form:

REGISTERED

REGISTERED

No. R-__

\$ _____

**UNITED STATES OF AMERICA
STATE OF UTAH
COUNTY OF SANPETE
EPHRAIM CITY**

PARITY WATER REVENUE AND REFUNDING BOND, SERIES 2018

**[SEE REVERSE
SIDE FOR
ADDITIONAL
PROVISIONS]**

**INTEREST
RATE
1.0%**

**MATURITY
DATE
June 1, ____**

**DATED
DATE
_____, 20__**

Registered Owner:

Principal Amount: _____ **DOLLARS**

KNOW ALL MEN BY THESE PRESENTS that Ephraim City, Sanpete County, Utah (the "Issuer"), acknowledges itself indebted and for value received hereby promises to pay, but solely in the manner and from the revenues and sources hereinafter provided, to the registered owner identified above, or registered assigns, on the maturity date specified above, upon presentation and surrender hereof, the principal amount identified above, bearing interest at the rate of One (1.0%) percent per annum. If the principal amount of this Bond and any Interest is not paid when due, said

principal and/or Interest shall bear interest at the rate of eighteen (18%) per annum from said due date until paid. Principal of and interest, if any, on this Bond shall be payable at the office of the registered owner. The principal of and interest, if any, on this Bond 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. Payments received on this Bond shall be applied first to the payment of interest, if any, then to principal.

Interest on this Bond shall be mailed to the registered owner hereof at his address as shown on the records of the Issuer on January 1st of each year until the total principal amount of this Bond, plus all accrued interest hereon, is paid in full. In the event this Bond is exchanged for Serial Bonds as herein provided, interest will continue to accrue from January 1st previous to date of exchange and shall be payable commencing on the first January 1st following the dated date of said Serial Bonds.

THE ISSUER IS OBLIGATED TO PAY PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST, IF ANY, ON THIS BOND SOLELY FROM THE REVENUES (THE "REVENUES") DERIVED FROM THE ISSUER'S CULINARY WATER SYSTEM ("SYSTEM") AND OTHER FUNDS OF THE ISSUER PLEDGED THEREFOR UNDER THE TERMS OF THE MASTER RESOLUTION (AS HEREINAFTER DEFINED). THIS BOND IS NOT A DEBT OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION ON INDEBTEDNESS. PURSUANT TO THE MASTER RESOLUTION, REVENUES FROM THE SYSTEM HAVE BEEN PLEDGED AND WILL BE SET ASIDE INTO SPECIAL FUNDS BY THE ISSUER TO PROVIDE FOR THE PROMPT PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST, IF ANY, ON THIS BOND AND ALL BONDS OF THE SERIES OF WHICH IT IS A PART.

This Bond is also issued and sold upon a par with the Issuer's Water Revenue Bond, Series 2013 in the original principal amount of \$1,217,000 payable to Zions First National Bank (the "Prior Lien Bonds"). This Bond and the Prior Lien Bonds shall not be entitled to any priority one over the other in the application of the Net Revenues of the System (as defined in the Resolution described below) pledged to the payment of this Bond and the Prior Lien Bonds, regardless of the time or times of their issuance or delivery and there shall be no priority between this Bond or among this Bond and the Prior Lien Bonds in any rights provided in the Resolution authorizing the same for entitlement to payment or provisions made for payment.

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 (as hereinafter defined) and all other laws applicable thereto.

THE TERMS AND PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE SIDE OR AT THE END HEREOF AND SUCH CONTINUED TERMS AND

PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.

In accordance with Section 265 of the 1986 Internal Revenue Code, the Issuer designates this Bond as an issue qualifying for the exception to the rule denying banks and other financial institutions the deduction for interest expenses allocable to tax-exempt interest. The Issuer reasonably anticipates that the total amount of qualified tax-exempt obligations (other than private activity bonds as defined in Section 141 of the 1986 Internal Revenue Code) which will be issued by the Issuer and by any aggregated issuer during the current calendar year will not exceed \$10,000,000. The total amount of obligations designated by the Issuer and all aggregated issuers for the current calendar year does not exceed \$10,000,000.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Utah or by the Act or the Master Resolution to exist, to have happened or to have been performed precedent to or in the issuance of this Bond exist, have happened and have been performed and that the issue of the series of Bonds of which this Bond is a part, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by said Constitution and statutes.

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

IN WITNESS WHEREOF, Ephraim City, Sanpete County, Utah, has caused this Bond to be signed in its name and on its behalf by its Mayor and [a facsimile of] its corporate seal to be [imprinted] [impressed] hereon and attested and countersigned by its City Recorder [(the signatures of said Mayor and City Recorder being by facsimile), and said officials by the execution hereof do adopt as for their own proper signatures their facsimile signatures appearing on each of the Bonds], all as of the Issue Date specified above.

EPHRAIM CITY

(FORM ONLY-DO NOT SIGN)

By _____
Mayor

ATTEST AND COUNTERSIGN:

(FORM ONLY-DO NOT SIGN)

By _____
City Recorder

(SEAL)

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Master Resolution and is one of the Parity Water Revenue and Refunding Bond, Series 2018, of Ephraim City, Sanpete County, Utah.

EPHRAIM CITY
as Bond Registrar

By _____
City Recorder

Date of Registration and Authentication:

Bond Registrar and Paying Agent:

Ephraim City, Sanpete County, Utah

[FORM OF REVERSE SIDE OF OR TO BE APPENDED TO THE BONDS]

This Bond is a special obligation of the Issuer and is one of an issue of a total series of fully-registered Parity Water Revenue and Refunding Bonds, designated as "Parity Water Revenue and Refunding Bonds, Series 2018", in the aggregate principal amount of \$ _____ dated as of the date set forth below, issued under, by virtue of, in full conformity with and after full compliance with the Constitution and laws of the State of Utah, including particularly the Utah Local Government Bonding Act, Chapter 14 of Title 11, Utah Code Annotated 1953, as amended, the Registered Public Obligations Act, Chapter 7 of Title 15, Utah Code Annotated 1953, as amended, and a Master Resolution duly adopted by the Mayor and City Council of the Issuer (the "Governing Body") on _____, 2018, authorizing this Bond (the "Master Resolution"), for the purpose of paying all or part of the cost of construction of culinary water system improvements, drilling and equipping a new well, rehabilitating an existing well, installation of a chlorinator and transmission lines, together with related improvements (the "Project"), including, without limitation, all fees and expenses reasonably incurred in connection therewith and with the issuance of such bonds as may be properly payable from the proceeds thereof. Principal of, premium, if any, and interest, if any, on this Bond is payable solely from the revenues, funds and other monies pledged or provided therefor under the terms of the Master Resolution.

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

The Bonds are dated as of _____, 2018 and are duly issued under and by virtue of the Act and under and pursuant to the Master Resolution. A copy of the Master Resolution is on file at the office of the City Recorder of the Issuer in Ephraim, Utah, and reference to the Master Resolution and to the Act is made for a description of the pledge and covenants securing the Bonds, the nature, manner and extent of enforcement of such pledge and covenants, the terms and conditions upon which the Bonds are issued and a statement of the rights, duties, immunities and obligations of the Issuer. Such pledge and other obligations of the Issuer under the Master Resolution may be discharged at or prior to the maturity or redemption of the Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Master Resolution.

This Bond is transferrable, as provided in the Master Resolution, only upon the books of the Issuer kept for that purpose at the office of the City Recorder of the Issuer, 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 in a form approved by the Issuer, duly executed by the registered owner or his duly authorized attorney, and thereupon the Issuer shall issue in the name of the transferee a new registered Bond or Bonds of the same aggregate principal amount, series designation and maturity as the surrendered Bond, all as provided in the Master Resolution and upon the payment of the charges therein prescribed. The Issuer, the Trustee, and any paying agent may treat and consider the person in whose name this Bond is registered as the holder and absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest, if any, payable hereon and for all other purposes whatsoever.

Subject to the provisions of the Master Resolution, the Bonds are issuable in fully registered form, without coupons, in the denomination of \$1000 and any integral multiple thereof.

The Bonds are subject to redemption at any time at the option of the Issuer in whole or in part (if in part, in integral multiples of \$1000) in inverse order of maturity upon notice given as hereinafter set forth, at a redemption price equal to the principal amount of each Bond or portion thereof to be so redeemed, and without premium.

If less than all of the Bonds of any maturity are to be redeemed, the particular Bonds to be redeemed shall be selected as provided in the Master Resolution; provided, however, that subject to other applicable provisions of the Master Resolution, the portion of any Bond to be redeemed shall be in a principal amount equal to a denomination in which the Bond was authorized to be issued, and that in selecting Bonds for redemption, the Issuer shall treat each Bond as representing that number

of Bonds which is obtained by dividing the principal amount of such Bond by \$1000. If part but not all of a Bond in a denomination in excess of \$1000 is to be redeemed, the registered owner thereof shall present and surrender such Bond to the Issuer, and the Issuer shall execute and authenticate and deliver to the registered owner thereof, without charge therefor, a Bond or Bonds of the same maturity for unredeemed balance of the principal amount of such Bond, all as more fully set forth in the Master Resolution.

Notice of redemption shall be given by the Issuer by registered mail, not less than 30 days nor more than 45 days prior to the redemption date, to the registered owner of this Bond, at his address as it appears on the bond registration books of the Issuer, or at such address as he may have filed with the Issuer for that purpose. Each notice of redemption shall state the redemption date and the principal amount and, if less than all of the Bonds are to be redeemed, the distinctive numbers of the Bonds to be redeemed.

If notice of redemption shall have been given as aforesaid, the Bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated.

Except as otherwise provided herein and unless the context clearly indicates otherwise, words and phrases used herein shall have the same meanings as such words and phrases in the Master Resolution.

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

/ _____ /

Insert Social Security or Other
Identifying Number of Assignee

(Please Print or Typewrite Name and Address of Assignee)

the within Bond of Ephraim City, Sanpete County, Utah, and does hereby irrevocably constitute and appoint _____ 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: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of The New York Stock Exchange or a commercial bank or trust company.

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

* * * * *

Section 2.9. Provisions for the registration of the Bonds set forth in Article III shall be applicable to the Series 2018 Bond.

ARTICLE III

SALE OF BOND; SYSTEM OF REGISTRATION

Section 3.1 Sale of Bond. The proceeds of the sale of the Series 2018 Bond shall be deposited at the time of sale in the Escrow Account as defined in Article I herein to be administered by the Escrow Agent. All monies so deposited in said fund shall be used solely for the purpose of

acquiring the necessary property and constructing improvements, additions and extensions to the System, including any architectural, engineering, legal, fiscal agent and other expenses incidental thereto.

Any unexpended proceeds remaining in said Escrow Account after completion of the Project shall be paid immediately into the "Ephraim City, Sanpete County, Utah Series 2018 Parity Water Revenue and Refunding Bond Fund" hereafter described. The said unexpended proceeds shall be used only for the prepayment of amounts of principal due or to become due on the Bonds in inverse order of maturities or for redemption of any Serial Bonds at a price (exclusive of accrued interest) not exceeding the face amount thereof and as provided in the Escrow Agreement. Redemptions made under this condition shall be made pro-rata, in direct proportion to the respective amounts then remaining unpaid under the Bonds. Any bonds so redeemed shall be cancelled and shall not be reissued. Following the transfer of unexpended funds from the Escrow Account to the said Revenue Fund, the Escrow Account will be closed.

Section 3.2. Registration and Exchange of Bonds.

(a) This Article shall constitute a system of registration within the meaning and for the purpose of Chapter 7 of Title 15, Utah Code Annotated, 1953, as amended. The Issuer shall cause books for the registration and for the transfer of the Bonds to be kept at the office of its City Recorder.

(b) Upon surrender for transfer of any of the Bonds at the office of the Issuer, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Issuer and duly executed by the registered owner or his attorney duly authorized in writing, the City Recorder or other duly authorized official of the Issuer shall note the name of the transferee or transferees and the date of the transfer in the place provided on the back of the Bonds and shall affix his or her official signature thereon. The City Recorder shall thereupon deliver the Bond or Bonds to the transferee and shall enter in the registration books of the Issuer the name and address of the transferee.

(c) The Issuer shall not be required to transfer any of the Bonds during the period from the fifteenth day of the month next proceeding any Payment Date on the Bonds to and including such Payment Date, nor to transfer the Bonds during a period of 15 days next preceding mailing of a notice of prepayment of any installment, or portion thereof, on the Bonds.

(d) The person in whose name the Bonds shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and the Issuer shall not be affected by any notice to the contrary. Payment of the principal of and interest on the Bonds shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Bonds to the extent of the sum or sums so paid.

(e) No service charge shall be made by the Issuer for any transfer of the Bonds but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of the Bonds.

(f) Prior to making any transfer of the Bonds as provided in this Section, the City Recorder shall verify that the payment record and prepayment record attached to the Bonds have been accurately completed as of the date of such transfer and, if necessary, conform such payment record and prepayment record to accurately reflect all payments of principal on the Bonds, based on the records and information with respect to such Bonds maintained by the Issuer and the registered owner surrendering such Bonds.

Section 3.3. Mutilated, Lost, Destroyed or Stolen Bond. If any of the Bonds shall become mutilated, the Issuer, at the expense of the registered owner thereof, shall execute and deliver a new Bond of like tenor in exchange for the Bond so mutilated, but only upon surrender to the Treasurer of the Bond so mutilated, which Bond shall thereupon be cancelled by the Issuer. If the Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Issuer and if such evidence be satisfactory and given, the Issuer, at the expense of the registered owner thereof, shall execute and deliver a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if the entire principal amount of the Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same without surrender thereof). Any Bond issued under the provisions of this Section in lieu of a Bond alleged to be lost, destroyed or stolen shall constitute an additional contractual obligation of the Issuer and shall be equally and proportionately entitled to the benefits of this Master Resolution. The Issuer shall not be required to treat both the original Bond and the duplicate Bond as being Outstanding for the purpose of determining the principal amount of the Bond and Parity Bonds which may be issued under this Master Resolution or for the purpose of determining any percentage of the Bond or Parity Bonds Outstanding under this Master Resolution, but both the original and duplicate Bond shall be conformed by the City Recorder to accurately reflect all payments of principal on the lost, destroyed or stolen Bond, based on the records and information with respect to such lost, destroyed or stolen Bond maintained by the Issuer and the registered owner of the Bond.

ARTICLE IV

FLOW OF FUNDS

Section 4.1. Pledge Effected by the Master Resolution.

(a) The Bond is a special obligation of the Issuer payable from and secured by the Revenues. There is hereby pledged for the payment of the principal of, prepayment premium, if any, and interest on the Bond in accordance with its terms and the provisions of this Master Resolution, subject only to the provisions of this Master Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in this Master Resolution, (i) the proceeds of sale of the Bond, (ii) the Revenues, and (iii) all funds established hereunder, including the investments,

if any, thereof. Except as otherwise provided in this Section, the Bonds and Note herein authorized shall enjoy complete priority of lien on the Revenues.

(b) In no event shall the Bond be deemed or construed to be a general indebtedness of the Issuer or payable from any funds of the Issuer other than those derived from the operation of the System.

Section 4.2. Establishment of Funds. The following funds are hereby established and confirmed:

- (1) Revenue Fund, to be held by the Issuer;
- (2) Bond Fund, to be held by the Issuer;
- (3) Reserve Fund, to be held by the Issuer; and
- (4) Capital Facilities Replacement Fund, to be held by the Issuer.

Section 4.3. Revenue Fund.

(a) There shall be deposited into the Revenue Fund, as received, the Revenues of the System. The Revenue Fund shall be deposited with the Depository and the monies credited to said Revenue Fund shall be expended only in the manner herein specified.

(b) Expenses of Maintenance and Operation shall be paid by the Issuer from time to time as they become due and payable and shall be a first charge on the Revenue Fund.

Section 4.4. Flow of Funds.

(a) After payment of Expenses of Maintenance and Operation then due the Issuer shall transfer, or cause the Depository to transfer, to the extent of monies available in the Revenue Fund, to the following funds in the following order the amounts set forth below:

(1) In the Bond Fund, in each month so long as the Bond is outstanding, one-twelfth of (i) the amount of the principal and interest falling due on the Series 2018 Bond, plus (ii) the payments due to the bond fund on the Prior Lien Bonds. In the event revenues are insufficient to fully fund the Series 2018 Bond and the Prior Lien Bonds, amounts shall be deposited to the respective Bond Funds on a pro rata basis based upon the respective face amount of each bond as compared to the combined face amount of all bonds.

(2) In the Reserve Fund, (i) on a monthly or annual basis such amounts as required to satisfy the Reserve Fund Requirement with respect to each of the Prior Lien Bonds, and (ii) on an annual basis a sum equal to the Reserve Fund Installment so as to cause to be on

deposit in the Reserve Fund an amount equal to the Reserve Fund Requirement not later than 10 years following the commencement of such annual transfers.

If monies shall ever be paid out of the Reserve Fund, monies shall be deposited, in addition to other deposits required by this paragraph (2), into the Reserve Fund from available Revenues (after making all other payments of Expenses of Maintenance and Operation and deposits into the Reserve Funds heretofore provided in this Section) to the extent necessary to cause the amount paid out to be replaced; and

(3) In the Capital Facilities Replacement Fund for the Series 2018 Bond, an annual deposit equal to 5% of the total operating budget of the System, provided, however, that the annual deposit pursuant to this resolution shall take into account and be reduced by any similar deposits required pursuant to the provisions of any Prior Lien Bonds. The first installment shall be payable on the anniversary date of the issuance of the Series 2018 Bond hereunder and shall continue until the Series 2018 Bond is redeemed. For purposes of this provision, annual operating budget shall include debt service and depreciation.

If available Revenues in the Revenue Fund (after payment of Expenses of Maintenance and Operation and deposits into the Bond Fund) are not sufficient to allow the deposit of the full amount payable to all reserve funds, then those available revenues shall be allocated among the reserve funds on a pro rata basis, based upon the relative amount of the required installments then due as to each reserve fund. In addition, if amounts are subsequently withdrawn from the reserve funds as provided in Section 4.6, the Issuer shall thereafter make deposits from first available Revenues to the Reserve Fund created herein, in such amounts as is necessary to restore the amounts withdrawn; provided, however, that such deposits shall be made on a pro rata basis among said reserve funds until the amounts withdrawn have been fully restored.

(b) Amounts remaining in the Revenue Fund after payment of the amounts required by paragraphs (1) and (3) subsection (a) of this Section and not required to meet Expenses of Maintenance and Operation or used for remedying any deficiencies in the payments previously made to the funds herein established, may be used, at the option of the Issuer and to the extent permitted by law, (1) to purchase or prepay any Bond in accordance with the provisions hereof governing prepayment of the Bond authorized hereunder in advance of maturity or, in the case of Future Parity Bonds, in accordance with the provisions of the resolution authorizing such Future Parity Bonds governing prepayment of such Future Parity Bonds in advance of maturity, including payment of expenses in connection with such purchase or prepayment; (2) to pay the principal or prepayment price of and interest on any bonds, including general obligation or junior lien revenue bonds of the Issuer issued to acquire, construct, improve or extend the System; (3) to pay the costs of capital improvements to the System; and (4) for any other lawful purpose, including, without limitation, payment of other obligations of the Issuer.

Section 4.5. Bond Fund. Monies in the Bond Fund shall be used for the purpose of paying principal, prepayment premium, if any, and any applicable interest when due on the Bonds. The

Bond Fund shall be kept on deposit with the Depository.

Section 4.6. Reserve Fund. In the event that the money on deposit in the 2018 Bond Fund on the final day of any month is less than the amount required to be in such Fund pursuant to Section 4.4(a)(1) hereof, then the Issuer shall cause any funds on deposit in the respective Reserve Fund to be immediately transferred by the Depository to such corresponding Bond Fund in the amount required to eliminate the deficiency in such Bond Fund(s). The Reserve Fund shall be kept on deposit with the Depository.

Section 4.7. Capital Facilities Replacement Fund. For so long as the Series 2018 Bond is outstanding, the amounts in the Capital Facilities Replacement Fund shall be kept on deposit with the Depository and may be applied from time to time by the Issuer solely for the purpose of paying costs and expenses relating to the construction and acquisition of additions, improvements and extensions to the System or to replace portions of the System which have become obsolete or no longer function properly or efficiently. The Capital Facilities Replacement Fund shall not serve as security for the payment of either principal, premium or interest on the Series 2018 Bond, and the Issuer shall not be obligated to obtain consent of any registered owner of the Series 2018 Bond to make disbursements from the Capital Facilities Replacement Fund for the purposes described in this Section 4.7; provided, however, that for so long as the Drinking Water Board is registered owner of the Series 2018 Bond, the Issuer shall make no disbursements from the Capital Facilities Replacement Fund unless and until the Issuer has given prior written notice to the Drinking Water Board setting forth the nature, purpose and amount of the proposed disbursement. Upon payment in full of the Series 2018 Bond, any amount remaining in the Capital Facilities Replacement Fund may be withdrawn by the Issuer and used for any lawful purpose of the Issuer.

Section 4.8. Investment of Funds. All money maintained on deposit with the Depository shall be held as special and not as general deposits, the beneficial interest in which shall be in the registered owners from time to time of the Bonds. All money so maintained on deposit with the Depository shall be secured to the fullest extent required or permitted by the laws of the State of Utah pertaining to the securing of public deposits. All or part of the money in the Bond Fund, in the Reserve Fund and in the Capital Facilities Replacement Fund shall be invested by the Depository, at the direction of the Issuer, in Permitted Investments, but any such investments so made shall always be such that the obligations mature or become optional for redemption in amounts and at times so as to assure the availability of the proceeds thereof when needed for the purpose for which such funds were created. Interest received on all such investments permitted hereunder shall be deposited in the Revenue Fund, except that at any time less than the required amount is on deposit in either the Bond Fund, the Reserve Fund or the Capital Facilities Replacement Fund, then interest attributable to such fund, respectively, shall be deposited into such fund. Whenever any money so invested from the Bond Fund, the Reserve Fund or the Capital Facilities Replacement Fund is needed for the purpose for which such fund was created, such investments, to the amount necessary, shall be liquidated by the Depository at the direction of the Issuer, and the proceeds thereof applied to the required purpose.

Section 4.9. Use of Funds When Reserves Sufficient to Pay Outstanding Bonds. Whenever there is sufficient available money in the Bond Funds and in the respective Reserve Fund to pay in full all principal and interest, if any, under these Bonds and all Bonds in accordance with their terms and the terms of this Resolution or, in the case of Future Parity Bonds, the resolutions authorizing the issuance of such Future Parity Bonds, the money in such funds shall be used for such purpose and no other purpose but no additional payments need to be made into either fund unless necessary to replace monies lost or otherwise dissipated therefrom. If all payments of principal and interest under the Bonds authorized by this Resolution are fully paid before Prior Lien Bonds are fully paid, all payments required under the Resolutions authorizing the Prior Lien Bonds shall be paid into the Sinking and Reserve Funds until the Prior Lien Bonds are satisfied in full or defeased.

ARTICLE V

COVENANTS AND UNDERTAKINGS

Section 5.1. Punctual Payment. The Issuer will punctually pay or cause to be paid the principal, the prepayment premium, if any, and any applicable interest when due on the Bonds, in strict conformity with the terms of the Bonds and of this Master Resolution or, in the case of Future Parity Bonds, the resolutions authorizing the issuance of such Future Parity Bonds, according to the true intent and meaning thereof. The Issuer agrees that there shall be no grace period as to the date of any payment required to be made pursuant to the terms of the Bond and of this Master Resolution or, in the case of Future Parity Bonds, the resolutions authorizing the issuance of such Future Parity Bonds.

Section 5.2. Operation and Maintenance. The Issuer will cause the System to be operated continuously for the furnishing of System services to the inhabitants of the Issuer, to the extent practicable under conditions as they may from time to time exist, in an efficient and economical manner, and will at all times cause to be maintained, preserved and kept, the System, including all parts thereof and appurtenances thereto, in good repair, working order and condition, and in such manner that the operating efficiency thereof will be of high character. The Issuer will from time to time cause to be made all necessary and proper repairs and replacements so that the rights and security of the registered owners of the Bonds may be fully protected and preserved, and will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the State of Utah, including the making and collecting of sufficient rates, fees and charges as appropriate, for all services supplied by the System and the segregation and application of the Revenues of the System in the manner provided in this Master Resolution.

Section 5.3. Compliance with Contracts and Agreements; Maintenance of Revenues.

(a) The Issuer will comply with all terms, covenants and provisions, express or implied, of all contracts and agreements entered into by it for System use and services and all other contracts or agreements affecting or involving the System or the business of the Issuer with respect

thereto, and will fix and collect rates, fees and charges, as appropriate for all services supplied by the System fully sufficient, after making due allowance for delinquencies in collection, to provide for the payment of the Expenses of Maintenance and Operation, to provide for the payment of all obligations payable from the Revenues of the System, including the Bonds, as and when the same become due and payable, and to establish the Bond Fund, Reserve Fund and Capital Facilities Replacement Fund and to make the deposits into the Bond Fund, the Reserve Fund and the Capital Facilities Replacement Fund as hereinabove required.

(b) In order to assure full and continuous performance of the covenants contained by sub-section (a) of this Section with a margin for contingencies and temporary unanticipated reduction in Revenues, the Issuer hereby covenants and agrees that it will, at all times while any of the Bonds shall be outstanding, continue in effect and establish, fix, prescribe and collect rates and charges for the sale or use of System services furnished by the Issuer which, together with any other income, are reasonably expected to yield Net Revenues equal to at least 1.25 times the aggregate annual debt service on all Bonds issued hereunder, and Future Parity Bonds which will be outstanding in the forthcoming year.

(c) If at any time the Revenues arising from such rates, fees and charges, as appropriate, shall not be sufficient to make all such payments promptly as herein required, the Issuer shall revise the rates, fees and charges, as appropriate, to the users of System services so that such deficiency will be remedied before the end of the next ensuing Year. If the Issuer shall fail to revise such charges as herein required, the registered owners of not less than ten percent (10%) in aggregate principal amount of the Outstanding Bonds, whether or not any of the Bonds shall then be in default, shall have authority, to the extent permitted by law, to bring an appropriate action in any court of competent jurisdiction to compel the Governing Body to carry out the provisions of this Section.

Section 5.4. Delinquencies; Single Billing.

(a) If any delinquent charge for System services, with applicable penalty and interest, is not paid in full within 60 days from the date on which the charge has become delinquent, the Issuer will, when appropriate and necessary to effect collection, cause all System services to be discontinued to the delinquent customers or premises, or forbid further use of such services by such customers or premises, to the extent permitted by law, until such delinquency, with penalties and interest has been paid in full. The Issuer further agrees in addition to the foregoing that it will do all things and exercise all remedies legally available to assure the prompt payment of all charges made for System services.

(b) The Issuer further covenants and agrees, to the extent permitted by law, that the Issuer will bill each customer receiving System services in a single bill, will refuse to accept payment for any of such services unless payment for the other services is also made, and if payment for any of such services is permitted to become delinquent and remain so for a period of 60 days, will treat such delinquency as provided in subsection (a) of this Section.

(c) If any customer or user of System services shall become delinquent for more than six months in the payment of his charges for such services, the Issuer agrees that, in addition to all of the remedies for which provision is made in this Master Resolution, the Issuer will proceed immediately, and it is hereby authorized to proceed, with a suit at law or in equity against such customer or user to recover the amount of any such delinquent charges, together with penalties and interest to the extent permitted by law.

Section 5.5. Consideration Required for Services. The Issuer will not permit System services to be supplied to any person, firm or corporation, public or private, or to any public agency or instrumentality including the Issuer without due consideration to be received in exchange therefor.

Section 5.6. Observance of Laws and Regulations; Permits, Licenses and Claims.

(a) The Issuer will well and truly keep, observe and perform all valid and lawful obligations or orders or regulations now and hereafter imposed on it by contract, or prescribed by any law of the United States of America or of the State of Utah, or by any officer, board or commission having jurisdiction or control over the Issuer or the System or both, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired by the Issuer, including its right to exist and carry on business, to the end that such rights, privileges and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired; provided, however, that the Issuer shall not be required to comply with any such orders so long as the validity or application thereof shall be contested in good faith.

(b) The Issuer shall at all times undertake reasonable efforts to perfect, and protect and maintain rights of any kind, all purchase contracts of any kind, and all permits, licenses and claims, necessary for the operation of the System.

Section 5.7. Payment of Taxes and Claims. The Issuer will, from time to time, duly pay and discharge, or cause to be paid and discharged, any taxes, assessments or other governmental charges lawfully imposed upon any of the properties of the System or upon the Revenues when the same shall become due, and will duly observe and conform to all valid requirements of any governmental authority relative to any such properties. The Issuer will keep the System and all parts thereof free from judgments, mechanics' and materialmen's liens (other than those arising by mere operation of law from the construction of the Project and other improvements to the System which are promptly discharged in due course) and free from all other liens, claims, demands and encumbrances of whatsoever prior nature or character, to the end that the priority of the lien of this Master Resolution on the Revenues may at all times be maintained and preserved, and free from any claim or liability which might embarrass or hamper the Issuer in conducting its business.

Section 5.8. Accounts and Reports.

(a) The Issuer will maintain and keep proper books of record and accounts separate

and apart from all other records and accounts of the Issuer, in which there shall be made full and correct entries of all transactions relating to the System and the Revenues. Not later than 90 days after the close of each fiscal year, the Issuer will cause an audit of such books and accounts to be made by an independent public accountant, or state auditing official, if appropriate, showing the receipts of and disbursements made for the account of the System. Each such audit, in addition to whatever matter may be thought proper by the accountant to be included therein, shall include the following:

- (1) A statement in detail of the income and expenditures of the System for such fiscal year;
- (2) A balance sheet as of the end of such fiscal year;
- (3) The accountant's comments regarding the manner in which the Issuer has carried out the requirements of this Master Resolution, and the accountant's recommendations for any change or improvements in the operation of the System;
- (4) A list of the insurance policies and fidelity bonds in force at the end of such fiscal year, setting out as to each policy and bond that amount of the policy, the risks covered, the name of the insurer and the expiration date;
- (5) The number and type or class, if applicable, of customers of the System, and the number of connections, if applicable, to the System;
- (6) The amount of money in each of the funds created in Article V hereof at the end of such fiscal year and the amount of money paid into and expended from each of said funds during such fiscal year;
- (7) To the extent applicable, a statement of all schedules of rates in effect at the close of the fiscal year and the aggregate dollar amount billed for the System services during such fiscal year and the Revenues received from charges for System services by types or classes of customers, if applicable;
- (8) A list of the official titles of the Executive Officer and the City Recorder and members of the Governing Body, and the name of each person occupying said positions; and
- (9) A general statement concerning any events or circumstances which might affect the financial status of the System.

All expenses incurred in the making of the audits required herein shall be regarded and paid as Expense of Maintenance and Operation. The Issuer further agrees to furnish a copy of each such audit to each Bondholder who shall request the same in writing. Any registered owner of any of the

Bonds shall have the right to discuss with the accountant making the audit the contents of the audit and to ask for such additional information as he may reasonably require in connection with such audit. The Issuer agrees that said books of record and account herein referenced, and any and all other books, records and accounts of the Issuer relating to the System, shall at all reasonable times be open to inspection by any registered owner of any of the Bonds or their representatives duly authorized in writing, during normal business hours.

(b) The Issuer shall send a copy of each annual audit to the Drinking Water Board without prior request or any notice to do so by the State.

Section 5.9. Insurance and Fidelity Bonds.

(a) The Issuer agrees to procure and maintain, or cause to be procured and maintained, insurance on the System and public liability insurance in such amounts and against such risks as are usually insurable in connection with similar systems and as is usually carried by municipalities operating similar systems.

(b) The Issuer further agrees to procure and maintain, or cause to be procured and maintained, adequate fidelity insurance or bonds on the positions of Executive Officer, City Recorder and on any other person or persons handling or responsible for funds of the Issuer related to the System.

(c) The provisions of this Section relating to the procurement and maintenance of insurance are subject to the condition that insurance of the type described herein is obtainable at reasonable rates and upon reasonable terms and conditions.

Section 5.10. Against Sale or Other Disposition of System Property Except Under Conditions. The Issuer will not sell, lease, encumber, alienate or in any manner dispose of the System or any substantial part thereof until all of the Bonds have been paid in full; provided, however, that nothing herein contained shall be construed to prevent disposal by the Issuer, upon prior written notice to the registered owners of the Bonds, of property which it deems has become inexpedient to use in connection with the System, when other property of equal value is substituted therefor.

Section 5.11. Against Competition with System Services. The Issuer, so far as it legally may, covenants and agrees that it will not operate or grant a franchise for the operation of any system competing with the System within the boundaries of the Issuer as long as any of the Bonds are Outstanding.

Section 5.12. The Issuer agrees, in accepting the proceeds of the Series 2018 Bond, to comply with all applicable state and federal regulations related to the Utah State Revolving Fund administered by the Drinking Water Board. These requirements include, but are not limited to, Title XIV of the Safe Drinking Water Act of 1996, OMB Circular A-133, the Utah Federal State

Revolving Fund (SRF) Program (R309-705 of the Utah Administrative Code), the Utah Local Government Bonding Act, the Utah Money Management Act, the Utah Procurement Code and the State of Utah Legal Compliance Audit Guide.

Section 5.13. Future Parity Bonds.

(a) The Issuer will issue no other bonds or obligations of any kind or nature payable from or enjoying a lien on the Revenues, unless such other bonds or obligations are made subordinate to the Bonds herein authorized; provided that at any time Future Parity Bonds may be authorized by resolution of the Governing Body if all the following conditions are met:

(1) The Issuer is in full compliance with all of the covenants and undertakings in connection with all Bonds of the Issuer then Outstanding and payable from the Revenues of the System;

(2) The Annual Net Revenues of the System for the 12 consecutive months ending with the calendar month next preceding the adoption by the Governing Body of the resolution authorizing the issuance and confirming the sale of the Future Parity Bonds, as shown by an audit rendered by an independent public accountant employed by the Issuer, when added to the estimated amount of the increase in such Annual Net Revenues for the first full twelve-month period in which the improvements, extensions, additions or betterments to the System to be acquired with the proceeds of the Future Parity Bonds will be in operation (such estimated amount to be evidenced by a certificate of an independent consulting engineer approved by the Governing Body of recognized skill and experience in the field of engineering matters related to the construction and maintenance of systems similar to the System), are equal to at least 1.25 times the maximum annual debt service on (i) all Series 2018 Bonds and Future Parity Bonds then outstanding plus (ii) the Future Parity Bonds then proposed to be issued;

(3) If the Future Parity Bonds are to be issued solely for the purpose of refunding a portion of the Bonds then outstanding then, for the purpose of making the calculation required under the foregoing paragraph, the maximum annual debt service on the Outstanding Bonds in any future Year shall take into consideration only Bonds that will remain outstanding after the issuance of such Future Parity Bonds, provided that if before the issuance and delivery of such Future Parity Bonds all of the Bonds theretofore issued will have been retired, nothing herein contained shall limit or restrict the issuance of any such Future Parity Bonds;

(4) Future Parity Bonds may be issued only for the purpose of acquiring, constructing, improving or extending the System, or for the purpose of refunding any outstanding Bonds, or for any combination of such purposes;

(5) The resolution authorizing the issuance of such Future Parity Bonds shall provide

that the last maturity date of the Future Parity Bonds shall not be earlier than the last maturity date of any Bonds theretofore issued and then outstanding and shall provide for fixed serial maturities or mandatory minimum sinking fund payments, of any combination thereof, in such amounts as will be sufficient to provide for the payment or retirement of all such Future Parity Bonds on or before their respective maturity dates; and

(6) The payments required to be made into the various funds provided in Article V hereof must be current at the time of the issuance of such Future Parity Bonds;

(b) A certificate evidencing compliance with the foregoing requirements of this Section signed by the Executive Officer and attested and countersigned by the City Recorder shall be delivered to the State so long as it is the registered owner of any of the Bonds and to any other registered owner of any of the Bonds requesting a copy thereof, prior to the issuance of any Future Parity Bonds.

Section 5.14. Rights and Remedies of Bondholders.

(a) The registered owner of any outstanding Bonds from time to time shall be permitted the exercise of all rights and powers to which such registered owner is entitled under the Constitution and laws of the State of Utah.

(b) In addition to all other rights afforded by the Constitution and laws of the State of Utah, to the extent permitted by law, the Issuer agrees that the registered owner of any outstanding Bonds shall have the right (i) to apply to and obtain from any court of competent jurisdiction such decree or order as may be necessary to require the officials of the Issuer to charge and collect rates for services supplied by the System sufficient to meet all requirements of this Master Resolution, and (ii) if any of the Bonds shall be permitted to default as to payment of principal, prepayment premium, if any, and interest thereon to apply to a court of competent jurisdiction to appoint a receiver for the System.

(c) Further, in the event of default the bondholder has the remedy to impose interest on the total outstanding principal balance of the Series 2018 Bonds at the rate of 18% per annum until the default is cured.

Section 5.15. Master Resolution to Constitute Contract Between the Issuer and the Holders of the Bond. The provisions of this Master Resolution shall constitute a contract between the Issuer and the registered owners from time to time of the Bond. After the issuance of any such Bond, no change, variation or alteration in the provisions of this Master Resolution may be made, except as provided in Article VII hereof. The provisions of such contract shall be enforceable by appropriate proceedings to be taken by any of such registered owners either at law or in equity, to the extent permitted by law.

Section 5.16. Compliance with Resolution. The Issuer will not issue, or permit to be issued,

any bonds or other obligations in any manner other than in accordance with the provisions of this Master Resolution and will not suffer or permit any default to occur under this Master Resolution, but will faithfully observe and perform all of the covenants, conditions and requirements hereof. The Issuer will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Master Resolution and for the better assuring and confirming to the registered owners of the Bonds of the rights, benefits and security provided in this Master Resolution. The Issuer for itself, its successors and assigns represents, covenants and agrees with the registered owners of the Bonds, as a material inducement to the purchase of the Bonds, that so long as any of the Bonds shall remain outstanding and the principal thereof, prepayment premium, if any, or interest thereon shall be unpaid or unprovided for, it will faithfully perform all of the covenants and agreements contained in this Master Resolution and the Bonds.

Section 5.17. Power to Issue Bonds and Pledge Revenues and Funds; Power to Own the System and Collect Rates and Fees; Ownership of Project. The Issuer is duly authorized under all applicable laws to create and issue the Bonds and to adopt this Master Resolution and to pledge the Revenues purported to be pledged by Resolution in the manner and to the extent provided herein. The Bonds and the provisions of this Master Resolution are and will be the valid and legally enforceable obligations of the Issuer in accordance with the terms of the Bonds and the terms of this Master Resolution. The Issuer shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Revenues under this Master Resolution and all the rights of the registered owners of the Bonds under this Master Resolution against all claims and demands of all persons whomsoever. The Issuer has, and will have so long as any Bonds are outstanding, good, right and lawful power to acquire, construct, improve, extend and own the Project and the System and to fix and collect rates, fees and charges, as appropriate, in connection with the System. The Issuer will, so long as any Bonds are Outstanding, own and operate the Project.

ARTICLE VI

MODIFICATION OR AMENDMENT OF RESOLUTION

Section 6.1. Amendments Permitted. The registered owners of seventy-five percent (75%) in principal amount of the outstanding Bonds (not including any Bonds which may then be held or owned by or for the account of the Issuer), shall have the right from time to time to approve the adoption by the Governing Body of any amendment to this Master Resolution which may be deemed necessary or desirable by the Governing Body; provided, however, that nothing herein contained shall permit or be construed to permit the modification of the terms and conditions in this Master Resolution or in the Bonds so as to:

- (1) Make any change in the maturity of the Bonds;
- (2) Reduce the rate of interest borne by any of the Bonds;

- (3) Reduce the amount of the principal payable on the Bonds;
- (4) Modify the terms of payment of principal of, prepayment premium, if any, or interest on the Bonds or impose any conditions with respect to such payment;
- (5) Affect the rights of the registered owners of less than all of the Bonds then Outstanding;
and
- (6) Make any change in the provisions of this Article.

Section 6.2. Notice of Proposed Amendment; Consent of Bondholders.

(a) If at any time the Governing Body shall have proposed an amendatory resolution, it shall cause the notice of the proposed adoption of such resolution to be sent by registered mail to the registered owners of the Bonds then Outstanding. No notice by publication shall be required.

(b) Whenever at any time within one year from the date of the mailing of said notice, there is filed in the office of the City Recorder an instrument or instruments executed by the registered owners of at least seventy-five percent (75%) in principal amount of the Bonds then Outstanding, specifically consenting to and approving the adoption of the amendatory resolution; thereupon, but not otherwise, said resolution shall become effective and the provisions thereof binding upon the registered owners of all of the Bonds then outstanding and no registered owners of any Bond then outstanding, whether or not he shall have consented to or shall have revoked any consent as in this Article provided, subject to the limitations of the subsequent paragraph, shall have any right to object to the adoption of such amendatory resolution or to the operation of any of the terms and provisions thereof.

(c) Any consent given by the registered owners of a Bond pursuant to the provisions of this Article shall be irrevocable for a period of six months from the date of the mailing of the notice aforesaid and shall be conclusive and binding upon all future registered owners of the same Bond during such period. Such consent may be revoked at any time after six months from the date of mailing of such notice by the registered owners who gave such consent, or by a successor in title, by filing notice with the Governing Body in form satisfactory to the Governing Body of such revocation of consent, but such revocation shall not be effective if the registered owners of seventy-five percent (75%) in principal amount of the Bonds then Outstanding have prior to the attempted revocation consented to and approved the amendatory resolution.

(d) Proof of the execution of any such instrument of consent or the ownership by any person of such Bonds shall be conclusive, if made in the manner provided in this Article. The fact and date of the execution by any person of any such instrument of consent may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer authorized by law to take acknowledgment of deeds, certifying that the person signing such instrument of consent acknowledged to him/her the execution thereof.

(e) The amount and number of Bonds owned by any person executing any such instrument of consent and the date of his holding the same may be proved by a certificate executed by any bank, trust company or member of the New York Stock Exchange, showing that on the date therein mentioned such person had on deposit with or exhibited under the claim of ownership to such bank, trust company or member of the New York Stock Exchange the Bonds therein described. The Governing Body may nevertheless in its discretion require further proof in cases where it deems further proof desirable.

ARTICLE VII

COVENANT AGAINST ARBITRAGE

Section 7.1. The Issuer covenants and agrees that, so long as the Bonds are outstanding, it will not take or omit to be taken, or permit to be taken or omitted to be taken, any action which will cause the interest on the bonds to be subject to federal income taxation. Without limiting the generality of the foregoing sentence, the Issuer in furtherance of the foregoing, covenants and agrees that it will not use or invest or cause to be used or invested any of the proceeds of the Bond in any manner which will cause the Bond to be an "arbitrage bond" within the meaning of Code Section 103 of the Internal Revenue Code as amended, and applicable regulations, including without limitations contained in an "Arbitrage Certificate" or other certificates of the Issuer delivered to the purchaser at the time of and in connection with the issuance and delivery of the Bond.

ARTICLE VIII

MISCELLANEOUS

Section 8.1. Discharge of Indebtedness. Any Bond and Future Parity Bonds shall not be deemed Outstanding when:

(1) It is cancelled because of payment or prepayment prior to maturity; or

(2) Cash funds for the payment or prepayment of such Bond or Parity Bond shall have been theretofore deposited with the Depository for such Bond or Parity Bond, respectively (whether upon or prior to maturity of or the prepayment date established for such Bond or Parity Bond); provided that if the Bond or Parity Bond is to be prepaid prior to maturity, notice of such prepayment shall have been given or waiver of such notice shall have been filed with the Issuer by the registered owner of the Bond or Parity Bond, respectively, to be prepaid and there shall have been deposited irrevocably and arrangements shall have been made with the Depository to assure payment of all fees and expenses of the Depository to become due on and prior to the maturity or prepayment date, with no monies to be invested in any investments but direct obligations of or obligations guaranteed by the United States of America, maturing and bearing interest in such amounts and at such times as will assure sufficient cash to pay currently maturing interest and to pay principal when due.

Section 8.2. Execution of Escrow Agreement. The Executive Officer and the City Recorder are hereby authorized and directed to execute and deliver an Escrow Agreement to the parties thereto, with such changes, if any, as the Executive Officer may direct prior to such execution and delivery. Said execution of the Escrow Agreement shall constitute conclusive evidence of the approval thereof by the Executive Officer.

Section 8.3. Depository. The Depository hereunder shall be a Qualified Depository. If at any time the Depository hereunder shall cease to be a Qualified Depository, the Issuer shall, as soon as reasonably practicable, select a successor thereto who shall be a Qualified Depository.

Section 8.4. Resolution Not to be Construed to Make the Bond an Indebtedness of the Issuer. Nothing in this Master Resolution shall be construed in such a manner as to result in making the Bond an indebtedness of the Issuer, and if it shall ever be held by any court of competent jurisdiction that any or all of the provisions of this Master Resolution are invalid or that the enforcement of the provisions of this Master Resolution would make the Bond invalid or unenforceable, said provisions of this Master Resolution shall be considered to be null and void.

Section 8.5. Partial Invalidity. If any one or more articles, sections, paragraphs, clauses or provisions of this Master Resolution or the application thereof to any person or circumstances are held to be invalid by final decision in any court of competent jurisdiction, such invalidity shall not affect the other articles, sections, paragraphs, clauses and provisions of this Master Resolution which can be given effect without the article, section, paragraph, clause or provision so held to be invalid or the application of which is held to be invalid and shall not affect the application of such article, section, paragraph, clause or provision to other persons or circumstances and to this end the provisions of this Master Resolution are declared to be severable.

Section 8.6. Article and Section Headings. All references herein to "Articles", "Sections" and subdivisions are to the corresponding articles, sections or words of similar import refer to this Master Resolution as a whole and not to any particular Article, Section or subdivision hereof. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience or reference and shall not affect the meaning, construction or effect of this Master Resolution.

Section 8.7. Publication of Notice of Bonds to Be Issued. In accordance with the provisions of Section 11-14-316, Utah Code Annotated, 1953, as amended, the City Recorder has heretofore caused "Notice of Bonds to be Issued" to be published one (1) time in the Sanpete News, a newspaper having general circulation in Ephraim, Utah, which is hereby confirmed and ratified.

Section 8.8. Conflicting Resolutions. All resolutions and parts thereof in conflict herewith and hereby repealed to the extent of such conflict.

Section 8.9. Effective Date. Immediately after its adoption, this Master Resolution shall be signed by the Mayor and the City Recorder shall have the official seal of the Issuer impressed or

imprinted hereon, shall be recorded in a book kept for that purpose and shall take immediate effect.

PASSED AND APPROVED this ____ day of _____, 2018.

EPHRAIM CITY

By _____
Mayor

ATTEST AND COUNTERSIGN:

By _____
City Recorder

[SEAL]

DRAFT

**EPHRAIM CITY RESOLUTION
ECR 18-95**

ARBOR DAY

**A RESOLUTION PROCLAIMING A SPECIAL DAY BE SET ASIDE
FOR THE PLANTING OF TREES**

WHEREAS, In 1872 J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, this holiday, called Arbor Day was first observed with the planting of more than a million trees in Nebraska; and

WHEREAS, April 27, 2018 is the 146th anniversary of the holiday, and Arbor Day is now observed throughout the nation and the world; and

WHEREAS, trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce life-giving oxygen, and provide habitat for wildlife; and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires, and beautify our community; and

WHEREAS, trees, wherever they are planted, are a source of joy and spiritual renewal;

THEREFORE, I, Richard Squire, Mayor of the City of Ephraim, do hereby proclaim April 27, 2018 as the 146th anniversary of Arbor Day Celebration in the City of Ephraim; and

FURTHER, I urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

APPROVED, PASSED, and ADOPTED this 4th day of August, 2018.

EPHRAIM CITY

Richard Squire, Mayor

ATTEST

COUNCIL VOTE

Leigh Ann Warnock, Recorder

Richard Wheeler	Aye ___	Nay ___
Margie Anderson	Aye ___	Nay ___
John Scott	Aye ___	Nay ___
Alma Lund	Aye ___	Nay ___
Tyler Alder	Aye ___	Nay ___