

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ISSUANCE OF TAXABLE SEWER REVENUE BONDS, SERIES 2019A AND TAXABLE SEWER REVENUE BONDS, SERIES 2019B OF THE CITY OF SOUTH SALT LAKE, UTAH FOR THE PURPOSE OF FINANCING THE COSTS OF THE CITY'S PORTION OF WASTEWATER SYSTEM IMPROVEMENTS TO BE ACQUIRED AND CONSTRUCTED BY CENTRAL VALLEY WATER RECLAMATION FACILITY, AUTHORIZING THE PUBLICATION OF A NOTICE OF BONDS TO BE ISSUED, AND PROVIDING FOR RELATED MATTERS

WHEREAS, pursuant to a Central Valley Water Reclamation Facility Amended and Restated Interlocal Agreement, entered into by the Members and deemed effective as of January 1, 2017, as amended by a First Amendment to Amended and Restated Interlocal Agreement effective July 1, 2018 (the "*Interlocal Agreement*"), the City of South Salt Lake, Utah (the "*Issuer*") is a member of Central Valley Water Reclamation Facility ("*Central Valley*"), an interlocal entity organized under the Interlocal Agreement and the Utah Interlocal Cooperation Act, Chapter 13 of Title 11, Utah Code Annotated 1953, as amended; and

WHEREAS, Central Valley is constructing improvements to its sewer system, consisting principally of the acquisition and construction of treatment system and collection system upgrades, expansion and rehabilitation projects, a cogeneration replacement project, nutrient removal facilities, and related facilities (the "*Series 2019 Project*"); and

WHEREAS, the Issuer owns an approximately 6.29% interest in Central Valley and the Series 2019 Project and is responsible for the costs of the Series 2019 Project in that proportion;

WHEREAS, the Issuer desires to finance its portion of the Series 2019 Project by issuing its Taxable Sewer Revenue Bonds, Series 2019A in the total principal amount of up to \$2,413,000 (the "*Series 2019A Bonds*") and its Taxable Sewer Revenue Bonds, Series 2019B in the total principal amount of up to \$6,835,000 (the "*Series 2019B Bonds*" and, collectively with the Series 2019A Bonds, the "*Series 2019 Bonds*" or the "*Bonds*"); and

WHEREAS, the State of Utah, Department of Environmental Quality, Division of Water Quality, Water Quality Board (the "*State Agency*") has offered to purchase the Series 2019 Bonds under the terms set forth herein; and

WHEREAS, the State Agency will, in addition to loaning the proceeds of the Series 2019 Bonds to the Issuer, concurrently grant \$2,000,000 to the Issuer to fund a portion of the Issuer's portion of the Series 2019 Project pursuant to a Principal Forgiveness/Hardship Grant Agreement between the State Agency and the Issuer;

NOW, THEREFORE, Be It Resolved by the City Council of the City of South Salt Lake, Utah, as follows:

ARTICLE I

DEFINITIONS

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

“*Act*” means the Local Government Bonding Act, Chapter 14 of Title 11, Utah Code Annotated 1953, as amended.

“*Annual Debt Service*” means the annual payment of principal and interest, if any, to be paid by the Issuer during any Fiscal Year on the Series 2019 Bonds and all outstanding bonds or other indebtedness issued on a parity with the Series 2019 Bonds and secured by the Revenues of the System.

“*Bond Fund*” means the fund by that name established under Section 3.4.

“*Bondholder*” or “*Registered Owner*” means the registered holder of any Series 2019 Bond.

“*Bond Resolution*” means this resolution adopted September 18, 2019, providing for the issuance of the Series 2019 Bonds.

“*Depository Bank*” means a “Qualified Depository” as defined in the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code Annotated, 1953, as amended.

“*Exchange Bonds*” means any fully-registered Series 2019 Bonds issued in exchange for the State Agency Bond or in exchange for other Exchange Bonds, in the denomination of \$1,000 or any integral multiple thereof, as provided for in Section 2.6.

“*Fiscal Year*” means the twelve-month period beginning on July 1 of the calendar year and ending on the next succeeding June 30.

“*Net Revenues*” means the Revenues after provision has been made for the payment therefrom of Operation and Maintenance Expenses.

“*Operation and Maintenance Expenses*” means all expenses reasonably incurred in connection with the operation and maintenance of the System, including the cost of water treatment, whether incurred by the Issuer or paid to Central Valley or any other municipality or company pursuant to contract or otherwise, repairs and renewals (other than capital improvements) necessary to keep the System in efficient operating condition, any operating reserves that are necessary or desirable for the efficient operation of the System, fees of any paying agents with respect to the Series 2019 Bonds, payment of premiums for insurance on the System, and, generally, all expenses, exclusive of depreciation, which under generally accepted accounting practices are properly allocable to operation and maintenance of the System.

“*Paying Agent*” means the person or persons authorized by the Issuer to pay the principal of and interest on delinquent payments, if any, on the Series 2019 Bonds on behalf of the Issuer. The initial paying agent for the Series 2019 Bonds is the City Recorder of the Issuer.

“*Prior Bonds*” means the Issuer’s Taxable Sewer Revenue Bonds, Series 2002.

“*Prior Resolution*” means the resolution adopted by the City Council of the Issuer on July 10, 2002, providing for the issuance of the Prior Bonds.

“*Registrar*” means the person or persons authorized by the Issuer to maintain the registration books with respect to the Series 2019 Bonds on behalf of the Issuer. The initial Registrar for the Series 2019 Bonds is the City Recorder of the Issuer.

“*Reserve Fund*” means the fund by that name established under Section 3.4.

“*Revenue Fund*” means the Issuer’s existing Sewer Revenue Fund.

“*Revenues*” means all gross income and revenues of any kind, from any source whatsoever, derived from the operation of the System, including, without limitation, all fees, rates, connection charges, and other charges, the gross revenues of all improvements, additions, and extensions of the System hereafter constructed or acquired, and all interest earned by, and profits derived from, the sale of investments made with the income and Revenues.

“*State Agency Bond*” means the fully-registered Series 2019 Bonds issued in substantially the form set forth in *Exhibit B*, in the denominations equal to the aggregate principal amount of the respective Series 2019 Bonds, and registered in the name of the State Agency.

“*System*” means the Issuer’s sewer system, including the Issuer’s interests in the Series 2019 Project and other Central Valley facilities, and all property, real, personal and mixed, of every nature now or hereafter owned by the Issuer and used or useful in the operation of its sewer system, together with all improvements, extensions, enlargements, additions, and repairs thereto which may be made while any of the Series 2019 Bonds remain outstanding.

ARTICLE II

ISSUANCE OF SERIES 2019 BONDS

Section 2.1. Principal Amount, Designation, and Series. The Series 2019 Bonds are hereby authorized for issuance for the purpose of providing funds (i) to finance a portion of the Issuer’s portion of the costs of acquisition and construction of the Series 2019 Project and (ii) to pay costs of issuance of the Series 2019 Bonds. The Series 2019A Bonds shall be limited to \$2,413,000 in aggregate principal amount, and the Series 2019B Bonds shall be limited to \$6,835,000 in aggregate principal amount. Inasmuch as the proceeds of the Series 2019A Bonds

are derived from federal loan funds, it is the Issuer's and the State Agency's intent that proceeds of the Series 2019A Bonds be allocated to the portion of the Series 2019 Project that is subject to federal loan program requirements, and that the proceeds of the Series 2019B Bonds be allocated to the portion of the Series 2019 Project that is subject to state loan program project requirements.

The Series 2019 Bonds shall be issued in fully-registered form, in the form set forth in *Exhibit B*, shall bear no interest, and shall be payable as specified herein; *provided, however*, that any principal installment on the Series 2019 Bonds that shall not be paid when due shall bear interest, to the extent permitted by law, at the rate of 18% per annum from the due date of such principal installment until paid. The Series 2019 Bonds shall be designated as, and shall be distinguished from the bonds of all other series by the titles, "Taxable Sewer Revenue Bonds, Series 2019A" and "Taxable Sewer Revenue Bonds, Series 2019B," respectively.

Section 2.2. Date and Maturities. The Series 2019 Bonds shall be dated as of their date of delivery, shall be in denominations of \$1,000 or any integral multiple thereof, and shall be paid as provided in this Section 2.2. The Series 2019A Bonds and the Series 2019B Bonds shall each be initially issued as one fully-registered State Agency Bond per series.

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or by redemption, shall be payable upon presentation of the applicable Series 2019 Bond at the offices of the Paying Agent for endorsement or surrender, or of any successor Paying Agent. Payment of interest on delinquent payments shall be made to the Registered Owner thereof and shall be paid by check or draft mailed to the Registered Owner thereof at his address as it appears on the registration books of the Issuer maintained by the Registrar or at such other address as is furnished to the Registrar in writing by such Registered Owner. All payments shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America.

So long as the State Agency is the Registered Owner of the State Agency Bonds, principal installments and interest payments on delinquent payments on the Series 2019 Bonds, if any, shall be made by check or draft and mailed to the State Agency as the Registered Owner at the address shown on the registration books maintained by the City Recorder.

If the maximum principal amount of the Series 2019A Bond is advanced, the repayment period and amounts of the principal installments on the Series 2019A Bond shall be as follows:

JUNE 1	PRINCIPAL MATURING	JUNE 1	PRINCIPAL MATURING
2025	\$120,000	2035	\$121,000
2026	120,000	2036	121,000
2027	120,000	2037	121,000
2028	120,000	2038	121,000
2029	120,000	2039	121,000
2030	120,000	2040	121,000
2031	120,000	2041	121,000
2032	121,000	2042	121,000
2033	121,000	2043	121,000
2034	121,000	2044	121,000

If the maximum principal amount of the Series 2019B Bond is advanced, the repayment period and amounts of the principal installments on the Series 2019B Bond shall be as follows:

JUNE 1	PRINCIPAL MATURING	JUNE 1	PRINCIPAL MATURING
2025	\$341,000	2035	\$342,000
2026	341,000	2036	342,000
2027	341,000	2037	342,000
2028	341,000	2038	342,000
2029	341,000	2039	342,000
2030	342,000	2040	342,000
2031	342,000	2041	342,000
2032	342,000	2042	342,000
2033	342,000	2043	342,000
2034	342,000	2044	342,000

If the total principal amount of one or both series of the Series 2019 Bonds is less than the maximum principal amount, the repayment period for the applicable series shall be shortened, the number of principal installments with respect to such series shall be reduced in inverse order of their maturity, and the amount of the final remaining principal installment shall be reduced, if necessary, by \$1,000 or an integral multiple thereof, to correspond to the Total Principal Sum set forth in the Certificate of State Agency Payments attached to the State Agency Bond, and the Issuer shall make the stated principal installments, beginning June 1, 2025, and continuing until such “Total Principal Sum” shall be paid in full. Notwithstanding the foregoing, if the total principal amount of the Series 2019 Bonds is less than the maximum principal amount as described above and the State Agency owns all of Series 2019 Bonds then outstanding, the Issuer and the State Agency may agree to establish a new schedule of principal installments (each in the amount of \$1,000 or integral multiples thereof) for the balance of the term of the Series 2019 Bonds, provided that the Series 2019 Principal Installment for any year shall not be increased over the amount set forth above in this Section 2.2.

Section 2.3. Optional Redemption. The Series 2019 Bonds are subject to redemption at any time, in whole or in part (if in part, in integral multiples of \$1,000), at the election of the Issuer, in inverse order of the due dates thereof, upon notice as provided in Section 2.4, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.

Section 2.4. Notice of Redemption. (a) In the event any of the Series 2019 Bonds are to be redeemed, the Registrar shall cause notice to be given as provided in this Section 2.4. Notice of such redemption shall be mailed by first class mail, postage prepaid, to all Registered Owners of the Series 2019 Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar, at least 30 days but not more than 60 days prior to the date fixed for redemption. Such notice shall include the following information:

- (i) the name of the Series 2019 Bonds to be redeemed;
- (ii) any other descriptive information needed to identify accurately the Series 2019 Bonds being redeemed;
- (iii) in the case of partial redemption of any Series 2019 Bonds, the respective principal amounts thereof to be redeemed;
- (iv) the date of mailing of redemption notices and the redemption date;
- (v) the redemption price;
- (vi) that on the redemption date the redemption price will become due and payable upon each such Series 2019 Bonds or portion thereof called for redemption; and
- (vii) the place where such Series 2019 Bonds are to be surrendered for payment of the redemption price, designating the name and address of the redemption agent.

Section 2.5. Execution and Delivery of the Series 2019 Bonds. The Mayor is hereby authorized to execute the Series 2019 Bonds and the City Recorder to countersign the Series 2019 Bonds and to have imprinted or otherwise placed on the Series 2019 Bonds the official seal of the Issuer. The City Recorder is hereby authorized to deliver to the State Agency the Series 2019 Bonds upon payment to the Issuer of the proceeds of the Series 2019 Bonds.

Section 2.6. Exchange of State Agency Bonds. It is recognized that the State Agency may sell or otherwise transfer the Series 2019 Bonds pursuant to the provisions of the State Financing Consolidation Act, Title 63b, Chapter 1b, Utah Code Annotated 1953, as amended, or otherwise. The State Agency Bond may be exchanged at the principal corporate trust office of the Registrar for a like aggregate principal amount of Exchange Bonds in accordance with the provisions of

Section 3.1. Exchange Bonds may thereafter be exchanged from time to time for other Exchange Bonds in accordance with Section 3.1. Each principal installment on the State Agency Bond not previously paid or cancelled shall be represented by an equivalent principal amount of Exchange 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 State Agency Bond for Exchange Bonds, provided that the State Agency shall pay or cause to be paid all costs and other charges incident to such exchange and the Issuer shall have no obligation to pay any such costs or charges.

ARTICLE III

REGISTRATION, PAYMENT, AND FLOW OF FUNDS

Section 3.1. Execution of and Registration of Series 2019 Bonds; Persons Treated as Owners. The Series 2019 Bonds shall be signed by the Issuer and the Issuer shall cause books for the registration and for the transfer of the Series 2019 Bonds to be kept by the City Recorder, who is hereby appointed the Registrar of the Issuer with respect to the Series 2019 Bonds. Any Series 2019 Bond may, in accordance with its terms, be transferred only upon the registration books kept by the Registrar, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Series 2019 Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Registrar, duly executed. No transfer shall be effective until entered on the registration books kept by the Registrar. Upon surrender for transfer of any Series 2019 Bond duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Registrar and duly executed by, the Registered Owner or his attorney duly authorized in writing, the Issuer shall execute and deliver in the name of the transferee or transferees, a new Bond or Bonds of the same maturity and series for a like aggregate principal amount as the Series 2019 Bond surrendered for transfer. Series 2019 Bonds may be exchanged at the office of the Registrar for a like aggregate principal amount of Series 2019 Bonds of the same series or other authorized denominations and the same maturity. The execution by the Issuer of any Series 2019 Bond of any authorized denomination shall constitute full and due authorization of such denomination, and the Registrar shall thereby be authorized to deliver such Series 2019 Bond. The Registrar shall not be required to transfer or exchange any Exchange Bond at any time following the mailing of notice calling such Series 2019 Bond for redemption.

Series 2019 Bonds surrendered for payment, redemption or exchange, shall be promptly canceled and destroyed by the Issuer.

The Issuer, the Registrar and the Paying Agent may treat and consider the person in whose name each Series 2019 Bond is registered on the registration books kept by the Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal or redemption price thereof and for all other purposes whatsoever, and neither the Issuer, nor the Registrar nor the Paying Agent shall be affected by any notice to the contrary. Payment of any Series 2019 Bond shall be made only to or upon order of the Registered Owner thereof or his

legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Series 2019 Bond to the extent of the sum or sums so paid.

The Issuer may require the payment by the Registered Owner requesting exchange or transfer of Series 2019 Bonds of any tax or other governmental charge and any service charge which are required to be paid with respect to such exchange or transfer and such charges shall be paid before such new Series 2019 Bond shall be delivered.

Section 3.2. Bond Proceeds. The proceeds from the sale of the Series 2019 Bonds shall be used solely for the purpose of financing a portion of the costs of the Issuer's portion of the Series 2019 Project, including the payment of costs of issuance of the Series 2019 Bonds. Any unexpended balance after completion of the Series 2019 Project shall be paid immediately into the Bond Fund and shall be used only for the prepayment of the Series 2019 Bonds. Principal last to become due shall be prepaid first.

Section 3.3. The Series 2019 Bonds Constitute Special Limited Obligations. Notwithstanding anything in this Bond Resolution elsewhere contained, the principal and interest, if any, on delinquent payments on the Series 2019 Bonds shall be payable from and secured solely by the Net Revenues, and in no event shall the Series 2019 Bonds 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.

The Issuer may, in its sole discretion, but without obligation and subject to the constitution, laws, and budgetary requirements of the State of Utah, make available properly budgeted and legally available funds to defray any insufficiency of Revenues to pay the Series 2019 Bonds; *provided however*, the Issuer has not covenanted and cannot covenant to make said funds available and has not pledged any of such funds for such purpose.

Section 3.4. Establishment of Funds; Flow of Funds. The Issuer previously established the Revenue Fund and the Repair and Replacement Fund pursuant to the Prior Resolution, and the Issuer hereby establishes the Bond Fund and the Reserve Fund. All Revenues shall be set deposited in the Revenue Fund. Amounts in the Revenue Fund shall be used for the following purposes and in the following priority:

- (a) From the amounts in the Revenue Fund, there shall first be paid all Operation and Maintenance Expenses of the System. The Issuer has previously established on its books an account known as the "Expense Account," to which shall be allocated monthly, on or before the tenth day of each month, such amounts in the Revenue Fund as are estimated to be required for Operation and Maintenance Expenses of the System for the following month. In addition, there shall be allocated to the Expense Account from time to time during the month such additional amounts as may be required to make payments of Operation and Maintenance Expenses for which the amounts theretofore allocated to the Expense Account are insufficient.

(b) Amounts in the Revenue Fund not allocated to pay Operation and Maintenance Expenses shall first be allocated to pay principal, reserve fund deposits, if any, and other amounts coming due in the applicable month with respect to the Prior Bonds, as provided in the Prior Resolution.

(c) Amounts in the Revenue Fund not allocated to pay the amounts above shall be allocated to the Bond Fund in such amounts as will assure the prompt payment of the principal of the Series 2019 Bonds and interest on delinquent installments on the Series 2019 Bonds, if any, as the same shall become due. The amount to be so set aside with respect to the Bonds shall, as nearly as practicable, be set aside and allocated to the Bond Fund monthly, on or before the tenth day of each month, beginning July 2024, and shall equal 1/12 of the principal payment next due on the Bonds.

(d) From amounts in the Revenue Fund remaining after the allocations described above, there shall be allocated monthly to the Reserve Fund, on or before the tenth day of each month, beginning July 2024, the sum of \$6,422, to be paid in 72 approximately equal payments (plus such additional amount as may be required to meet any monthly installment to the Reserve Fund not theretofore made in whole or in part or previously drawn from the Reserve Fund), such allocations to continue until there shall have been accumulated in the Reserve Fund an amount equal to \$462,400 (the “*Reserve Requirement*”). Amounts allocated to the Reserve Fund shall be used to pay the principal and interest, if any, falling due on the Series 2019 Bonds at any time when funds in the Bond Fund are insufficient to pay the same. Pending such use, amounts in the Reserve Fund may be invested as hereafter provided. If the amount in the Reserve Fund is at least equal to the Reserve Requirement, no further allocations to the Reserve Fund need be made unless payments from the Reserve Fund have reduced the balance in the Reserve Fund to an amount less than the Reserve Requirement, in which event allocations in the amount of \$6,422 per month shall be resumed until such deficiency has been remedied.

(e) From amounts in the Revenue Fund remaining after the allocations described above, there shall be allocated monthly to the Repair and Replacement Fund, beginning July 2024, an amount equal to \$3,211 (to be paid in 72 approximately equal payments (plus such additional amount as may be required to meet any monthly installment to the Repair and Replacement Fund not theretofore made in whole or in part or previously drawn from the Repair and Replacement Fund), such allocations to continue until there shall have been accumulated in the Repair and Replacement Fund an amount equal to \$231,200 (the “*Repair and Replacement Requirement*”). Amounts in the Repair and Replacement Fund shall be used solely for repairs and replacements to the System, should such repairs or replacements be necessary. If at any time the amount in the Repair and Replacement Fund is less than the Repair and Replacement Requirement, monthly deposits shall be resumed until the Repair and Replacement Requirement is on deposit in the Repair and Replacement Fund.

(f) Any remaining funds in the Revenue Fund, after all of the payments describe above have been made, may be used by the Issuer (a) to redeem the Series 2019 Bonds or other outstanding bonds, in whole or in part, (b) to make extensions,

improvements, additions, repairs, and replacements to the System, or (c) to be applied to any other lawful purpose as determined by the Issuer.

(g) If at any time, the Net Revenues derived by the Issuer from the operation of the System shall be insufficient to make any payment to any of the above funds or accounts on the date or dates specified, the Issuer shall make good the amount of such deficiency by making additional payments out of the first available Net Revenues thereafter derived by the Issuer from the operation of the System.

Section 3.5. Investment of Funds. Any funds allocated to the Bond Fund and the Reserve Fund may, at the discretion of the Issuer, be invested in accordance with the State Money Management Act.

ARTICLE IV

COVENANTS

Section 4.1. Covenants of Issuer. The Issuer hereby covenants and agrees with the Bondholders as follows:

(a) The Issuer shall establish, fix, and collect rates, charges, and fees for the sale or use of System services furnished by the Issuer which, together with other available income, are reasonably expected to yield Net Revenues which are at least equal to the Rate Covenant Requirement for the forthcoming Fiscal Year. The term “*Rate Covenant Requirement*” means an amount of Net Revenues which, for such Fiscal Year, are at least equal to the sum of (a) 100% of the debt service and other amounts that will become due and payable during the forthcoming Fiscal Year with respect to the Prior Bonds pursuant to the Prior Resolution, (b) 100% of the debt service that will become due and payable during the forthcoming Fiscal Year with respect to the Series 2019 Bonds and any Parity Bonds issued pursuant to this Bond Resolution; and (c) 100% of the deposits that are required by this Bond Resolution to be deposited in the Reserve Fund and the Repair and Replacement Fund during the forthcoming Fiscal Year.

(b) Each Bondholder shall have a right, in addition to all other rights afforded it by the laws of Utah, to apply to and obtain from any court of competent jurisdiction such decree or order as may be necessary to require the Issuer to charge and collect reasonable rates for services supplied by the System sufficient to meet all requirements of this Bond Resolution.

(c) The Issuer will maintain the System in good condition and operate the same in an efficient manner.

(d) So long as any Series 2019 Bonds remain outstanding, proper books of record and account will be kept by the Issuer separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the System. Each Bondholder or any duly authorized agent or agents of such holder shall have the right

at all reasonable times to inspect all records, accounts and data relating thereto and to inspect the System and all properties constituting the System. Except as otherwise provided herein, the Issuer further agrees that it will, within 180 days following the close of each Fiscal Year, cause an audit of such books and accounts to be made by an independent firm of certified public accountants, showing the receipts and disbursements for account of the System, and that such audit will be available for inspection by the Bondholders; *provided, however*, during such periods of time as the State Agency is the Registered Owner of the State Agency Bonds, each such audit will be supplied to the State Agency as soon as completed without prior request therefor by the State Agency. Each such audit shall include, among other things, a statement in detail of the income and expenditures of the System for such Fiscal Year and a balance sheet as of the end of such Fiscal Year.

(e) If a Bondholder is other than the State Agency, the Issuer agrees to furnish a copy of such information to such Bondholder at its request after the close of each Fiscal Year. Any Bondholder shall have the right to discuss with the accountant compiling such information the contents thereof and to ask for such additional information as it may reasonably require.

(f) The Bondholder shall have the right at all reasonable times to inspect the System and all records, accounts and data of the Issuer relating thereto, and upon request, the Issuer will furnish to it financial statements and other information relating to the Issuer and the System as it may from time to time reasonably require.

(g) The Issuer, in its operation of the System, will carry insurance, including, but not limited to, workmen's compensation insurance and public liability insurance, in such amounts and to such extent as is normally carried by others operating public utilities of the same type. The cost of such insurance shall be considered an Operation and Maintenance Expense of the System. In the event of loss or damage to System facilities, insurance proceeds shall be used first for the purpose of restoring, replacing or improving the property lost or damaged. Any remainder shall be paid into the Bond Fund.

(h) The Issuer will not, without consent of 100% of the Bondholders, sell, lease, mortgage, encumber, or in any manner dispose of the System or any substantial part thereof, including any and all extensions and additions that may be made thereto, until all Series 2019 Bonds have been paid in full, except that the Issuer may sell any portion of said property that shall have been replaced by other property of at least equal value, or which shall cease to be necessary for the efficient operation of the System.

(i) The Issuer agrees, in accepting the proceeds of the Series 2019 Bonds, to comply with all applicable state and federal regulations related to the Utah State Revolving Fund administered by the State Agency. These requirements include, but are not limited to, Title VI of the Clean Water Act of 1987, the Single Audit Act of 1996, the Utah Wastewater Loan Program policies and guidelines, the Local Government Bonding Act, the Utah Money Management Act, the Utah Procurement Code, and the State of Utah Legal Compliance Audit Guide.

(j) The Issuer will from time to time duly pay and discharge or cause to be paid all taxes, assessments and other governmental charges, if any, lawfully imposed upon the System, as well as any lawful claims for labor, materials or supplies which if unpaid might by law become a lien or charge upon the System or the Revenues or any part thereof or which might impair the security of the Bonds, except when the Issuer in good faith contests its liability to pay the same.

Section 4.2. Additional Indebtedness. Payment of the series 2019 Bonds is subject to payment of the Prior Bonds. No additional indebtedness, bonds or notes of the Issuer payable on a priority superior to the Series 2019 Bonds out of the Net Revenues from the System shall be created or incurred by the Issuer without the prior written consent of all holders of the Series 2019 Bonds. Furthermore, the Series 2019 Bonds and any Parity Bonds (defined below) shall not be entitled to any priority one over the other in application of the Net Revenues of the System, regardless of the time or times of their issuance, it being the intention of the Issuer that there shall be no priority among the Series 2019 Bonds or Parity Bonds authorized to be issued pursuant to this Bond Resolution, regardless of the fact that they may be actually issued and delivered at different times. It is expressly agreed and covenanted that, except as provided below, the Issuer will not hereafter issue any bonds or obligations payable from the Net Revenues of the System, or any part thereof, or which constitutes a lien on such Net Revenues or on the System, until all Series 2019 Bonds have been paid in full, unless such additional bonds are issued in such manner that they are in all respects subordinate to the Series 2019 Bonds.

The provisions of the foregoing paragraph are subject to the following exceptions:

(a) The Series 2019 Bonds or any part thereof may be refunded. The refunding bonds (the "*Refunding Bonds*") so issued shall enjoy a lien on the Net Revenues on a parity with the Series 2019 Bonds except that if fewer than all of the Series 2019 Bonds outstanding at the time are so refunded, no Refunding Bonds shall bear interest at a rate higher or mature at a date earlier than the corresponding Bond refunded thereby without the consent of the owners and holders of all of the unrefunded Series 2019 Bonds. In all other respects, refunding bonds may be secured in such manner and may be payable from such sources and be subject to other terms and provisions that may be provided in the resolution authorizing their issuance.

(b) Additional bonds ("*Additional Bonds*" and, collectively with the Refunding Bonds, the "*Parity Bonds*") may be issued on a parity with the Series 2019 Bonds herein authorized if all of the following conditions are met at the time of the issuance of such Additional Bonds:

(i) The Net Revenues of the System in the Fiscal Year preceding the year in which the Additional Bonds are to be issued were at least 125% of the average Annual Debt Service on all of the Series 2019 Bonds and Parity Bonds then outstanding and the Parity Bonds so proposed to be issued.

(ii) All payments required by this Bond Resolution to be made into the Bond Fund must have been made in full and there must be in the Reserve Fund and

any reserve fund established with respect to any then outstanding Parity Bonds, the full amount required by this Bond Resolution and any other related bond resolution to be accumulated therein.

(iii) The proceeds of the Parity Bonds must be used for the making of improvements, extensions, renewals, replacements or repairs to the System.

ARTICLE V

MISCELLANEOUS

Section 5.1. Default and Remedies. Failure of the Issuer to perform any covenant or requirement of the Issuer under this Bond Resolution within 30 days after having been notified in writing by a Bondholder of such failure, shall constitute an event of default hereunder and shall allow each Bondholder to take the following enforcement remedies:

(a) The Issuer shall pay an interest penalty equal to 18% per annum of the outstanding principal amount on the Series 2019 Bonds, said interest penalty to accrue from the date on which the applicable payment was due until the default is cured by the Issuer.

(b) The Bondholder may appoint a trustee bank to act as a receiver of the Revenues of the System for purposes of applying the Revenues toward the Revenue allocations required in Section 3.4 herein and, in general, protecting and enforcing each Bondholder's rights thereto, in which case, all administrative costs of the trustee bank in performing said function shall be paid by the Issuer.

No remedy conferred herein is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to each Bondholder hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right, power or remedy accruing upon a default shall impair any such right, power or remedy or shall be construed to be a waiver of any default or acquiescence therein; and every such right, power or remedy may be exercised from time to time as may be deemed expedient.

Section 5.2. Amendments to Bond Resolution. Provisions of this Bond Resolution shall constitute a contract between the Issuer and the Bondholder, and, after the issuance of the Series 2019 Bonds, no change, variation or alteration of any kind in the provisions of this Bond Resolution shall be made in any manner until such time as all of the Series 2019 Bonds have been paid in full, except as hereinafter provided.

The Bondholders shall have the right from time to time to consent to and approve the adoption by the Issuer of resolutions modifying or amending any of the terms or provisions contained in this Bond Resolution in the manner and to the extent set out below.

Whenever the Issuer shall propose to amend or modify this Bond Resolution under the provisions of this section, it shall cause notice of the proposed amendment to be sent to all Bondholders of all Series 2019 Bonds then outstanding. Such notice shall set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory resolution is on file in the office of the City Recorder for public inspection. Should a Bondholder consent to the proposed amendment to this Bond Resolution, it shall submit to the Issuer a written instrument which shall refer to the proposed amendatory resolution described in said notice and shall specifically consent to and approve the adoption thereof. Upon receipt of Bondholder consents representing at least 75% of the principal of Series 2019 Bonds outstanding, the City Council of the Issuer may adopt said amendatory resolution, and it shall become effective, *provided, however*, that nothing in this Section 5.2 shall permit or be construed as permitting (a) an extension of the stated maturity or reduction in the principal amount of, or reduction in the rate of or extension of the time of paying of interest on delinquent payments, without the consent of the Bondholder of such Series 2019 Bonds, or (b) a reduction in the amount or extension of the time of any payment required by any fund or account established hereunder without the consent of the Bondholders of all the Series 2019 Bonds which would be affected by the action to be taken, or (c) a reduction in the aforesaid aggregate principal amount of Series 2019 Bonds, the Bondholders of which are required to consent to any such waiver or a mandatory resolution, or (d) affect the rights of the Bondholders of less than all Series 2019 Bonds then outstanding, without the consent of the Bondholders of all the Series 2019 Bonds at the time outstanding which would be affected by the action to be taken.

If a Bondholder at the time of the adoption of such amendatory resolution shall have consented to and approved the adoption thereof as herein provided, said Bondholder shall not have any right or interest to object to the adoption of such amendatory resolution or to object to any of the terms or provision therein contained or to the operation thereof or to enjoin or restrain the Issuer from taking any action pursuant to the provisions thereof. Any consent given by a Bondholder pursuant to the provisions of this section shall be conclusive and binding upon all successive Bondholders.

The fact and date of the execution of any instrument under the provisions of this section may be proved by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction, that the person signing such instrument acknowledged before him the execution thereof, or may be proved by an affidavit of a witness to such execution sworn to before such officer.

Section 5.3. Maintenance of Proceedings. A certified copy of this Bond Resolution and every amendatory or supplemental ordinance or resolution shall be kept on file in the office of the City Recorder, where it shall be made available for inspection by any Bondholder or his agent. Upon payment of the reasonable cost of preparing the same, a certified copy of this Bond Resolution, any amendatory or supplemental ordinance or resolution will be furnished to any Bondholder. The Bondholders may, by suit, action, mandamus, injunction or other proceedings, either at law or in equity, enforce or compel performance of all duties and obligations required by this Bond Resolution to be done or performed by the Issuer. Nothing contained herein, however, shall be construed as imposing on the Issuer any duty or obligation to levy any tax either to pay

the principal of or interest, if any, on the Series 2019 Bonds or to meet any obligation contained herein concerning the Series 2019 Bonds.

Section 5.4. Defeasance of Series 2019 Bonds. If the Issuer shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made to the Registered Owner of the Series 2019 Bonds for the payments due or to become due thereon at the times and in the manner stipulated therein, then the pledge of the Net Revenues under this Bond Resolution and any and all estate, right, title and interest in and to any of the funds and accounts created hereunder (except moneys or securities held by a Depository Bank for the payment of the Series 2019 Bonds) shall be cancelled and discharged.

Any Series 2019 Bond shall be deemed to be paid within the meaning of this section when payment of the Series 2019 Bonds (whether such due date be by reason of maturity or upon redemption as provided herein) shall have been made in accordance with the terms thereof. At such time as the Series 2019 Bonds shall be deemed to be paid hereunder, they shall no longer be secured by or entitled to the benefits hereof (except with respect to the moneys and securities held by a Depository Bank for the payment of the Series 2019 Bonds).

Section 5.5. Sale of Series 2019 Bonds Approved. The sale of the Series 2019 Bonds to the State Agency at par is hereby ratified, confirmed and approved. Payment by the Issuer to the State Agency of a loan origination fee of 1% of the principal loan amount is hereby approved. Such loan origination fee shall be paid to the State Agency from proceeds of the Series 2019 Bonds on or about the date of issuance of the Series 2019 Bonds. In the event that less than the maximum principal amount of Series 2019 Bonds authorized hereunder is issued, a pro-rata portion of the loan origination fee shall be refunded to the Issuer.

Section 5.6. Bondholders Not Responsible. The Bondholders shall not be responsible for any liabilities incurred by the Issuer or Central Valley in the acquisition or construction of the Series 2019 Project or for the failure of the System or the Series 2019 Project to function successfully after completion of the Series 2019 Project.

Section 5.7. The Issuer shall cause the following notice to be published one time in *The Salt Lake Tribune*, a newspaper of general circulation within the boundaries of the Issuer, and shall cause a copy of this Bond Resolution to be kept on file in the office of the Issuer for public examination during the regular business hours of the Issuer for at least 30 days after the date of such publication. The Notice of Bonds to Be Issued shall be in substantially the following form:

NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN that on September 18, 2019, the City Council (the “*City Council*”) of the City of South Salt Lake, Utah (the “*Issuer*”) adopted a resolution (the “*Bond Resolution*”) in which it authorized the issuance, in one or more series, of its sewer revenue bonds (collectively, the “*Bonds*”) in an aggregate principal amount of not to exceed \$9,248,000, to mature in not more than 25 years from their date or dates, to bear no interest (other than a default rate of not to exceed 18% in the event of a failure by the Issuer to pay principal of the Bonds when

due), and to be sold at a discount from par, expressed as a percentage of principal amount, of not to exceed 2%.

The estimated total principal and interest cost to the Issuer for the proposed bonds, if the Bonds are held until maturity, based on the proposed interest rate of 0%, is \$9,248,000.

The Bonds are to be issued and sold by the Issuer pursuant to the Bond Resolution for the purpose of (i) paying a portion of the Issuer's portion of the costs of acquisition and construction by Central Valley Water Reclamation Facility ("*Central Valley*") of certain improvements to the Central Valley sewer system that is operated for and on behalf of the Issuer and other members of Central Valley, consisting principally of treatment system and collection system improvements and upgrades, expansion and rehabilitation projects, a cogeneration replacement project, nutrient removal facilities, pipelines, and related property, rights of way, and other related facilities, and (ii) paying costs of issuance of the Bonds.

The Issuer will not pledge any taxes of the Issuer for the payment of the Bonds. The Issuer will pledge, pursuant to the Bond Resolution, the revenues attributable to the Issuer's sewer system for the payment of the Bonds.

The total par amount of bonds currently outstanding that are secured by the same pledge of revenues as the proposed Bonds is \$184,500. Additional information regarding the Bonds and the outstanding bonds may be obtained by contacting the City Recorder of the Issuer at the address below during regular business hours of the Issuer.

Copies of the Bond Resolution are on file in the office of the Issuer, located at 220 East Morris Avenue, #200, South Salt Lake, Utah 84115, where they may be examined during the regular business hours of the Issuer from 8:00 a.m. to 5:00 p.m., Monday through Friday. The Bond Resolution shall be so available for inspection for a period of at least 30 days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that, pursuant to law, for a period of 30 days from and after the date of publication of this notice, any person in interest shall have the right to contest the legality of the above-described Resolution of the Board, or the Bonds or any provisions 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.

DATED this September 20, 2019.

CITY OF SOUTH SALT LAKE, UTAH

Section 5.8. Public Hearing. A public hearing was held by the Board on September 18, 2019, at the meeting that began at 7:00 p.m., at the regular meeting place of the Board, with respect to the issuance by the Issuer of the Series 2019 Bonds and the potential economic impact that the Series 2019 Project will have on the private sector. The Issuer caused the Notice of Public Hearing,

in substantially the following form, to be (i) published once each week for two consecutive weeks in the *The Salt Lake Tribune*, a newspaper of general circulation in the boundaries of the Issuer, with the first publication being at least 14 days prior to the date set for the public hearing, and (ii) posted at the Utah Public Notice Website at least 14 days prior to the date set for the public hearing. In addition, a copy of the Notice of Public Hearing, together with *Addendum A* to the Notice of Public Hearing (set forth below) was provided, at least 14 days prior to the public hearing, to the System users in the Issuer's service area.

NOTICE OF PUBLIC HEARING

City of South Salt Lake
Sewer Revenue Bonds

PUBLIC NOTICE IS HEREBY GIVEN that, on September 18, 2017, at 7:00 p.m., the City Council (the "*City Council*") of the City of South Salt Lake, Utah (the "*Issuer*") will hold a public hearing to receive input from the public with respect to (a) the issuance, in one or more series, of up to \$9,248,000 of non-voted sewer revenue bonds (the "*Bonds*") of the Issuer for the purpose of (i) paying a portion of the Issuer's portion of the costs of acquisition and construction by Central Valley Water Reclamation Facility ("*Central Valley*") of certain improvements to the Central Valley sewer system that is operated for and on behalf of the Issuer and other members of Central Valley, consisting principally of treatment system and collection system improvements and upgrades, expansion and rehabilitation projects, a cogeneration replacement project, nutrient removal facilities, pipelines, and related property, rights of way, and other related facilities (the "*Series 2019 Project*"), and (ii) paying costs of issuance; and (b) the potential economic impact that the Series 2019 Project will have on the private sector.

The Issuer will not pledge any taxes of the Issuer for the payment of the Bonds. The Issuer will pledge, pursuant to a bond resolution, the revenues attributable to the Issuer's sewer system for the payment of the Bonds.

The public hearing will be held at the regular meeting place of the City Council, located at 220 East Morris Avenue, #200, South Salt Lake, Utah 84115. All members of the public are invited to attend and participate in the public hearing. Prior to the public hearing, written comments may be submitted to the Issuer at the above-referenced address.

Additional information regarding the repayment schedule for the Bonds, the impact of the Series 2019 Project on the Issuer and its sewer system users, and system user charge rates and connection fees, is available at the office of the City Recorder and is being mailed, together with a copy of this Notice of Public Hearing, to system users in the Issuer's service area.

DATED this ____ day of August, 2019.

CITY OF SOUTH SALT LAKE, UTAH

ADDENDUM A
To NOTICE OF PUBLIC HEARING
 ADDITIONAL INFORMATION REGARDING THE BONDS AND
 THE IMPACT OF THE SERIES 2019 PROJECT

(1) The repayment schedules for the Taxable Sewer Revenue Bonds, Series 2019A and Taxable Sewer Revenue Bonds, Series 2019B are as follows:

SERIES 2019A

JUNE 1	PRINCIPAL MATURING	JUNE 1	PRINCIPAL MATURING
2025	\$120,000	2035	\$121,000
2026	120,000	2036	121,000
2027	120,000	2037	121,000
2028	120,000	2038	121,000
2029	120,000	2039	121,000
2030	120,000	2040	121,000
2031	120,000	2041	121,000
2032	121,000	2042	121,000
2033	121,000	2043	121,000
2034	121,000	2044	121,000

SERIES 2019B

JUNE 1	PRINCIPAL MATURING	JUNE 1	PRINCIPAL MATURING
2025	\$341,000	2035	\$342,000
2026	341,000	2036	342,000
2027	341,000	2037	342,000
2028	341,000	2038	342,000
2029	341,000	2039	342,000
2030	342,000	2040	342,000
2031	342,000	2041	342,000
2032	342,000	2042	342,000
2033	342,000	2043	342,000
2034	342,000	2044	342,000

(2) The Series 2019 Project (as defined in the Notice of Public Hearing to which this *Addendum A* is attached) is expected to have the following impacts on the Issuer's sewer system (the "*System*") and System users:

[describe Project impacts]

(3) User charge rates and connection fees are estimated to be as follows:

[describe current and projected User charge rates and connection fees]

Section 5.9. Further Authority. The officers and employees of the Issuer shall take all action necessary or reasonably required to carry out, give effect to, and consummate the transactions contemplated hereby and shall take all action necessary in conformity with the Act to carry out the issuance of the Series 2019 Bonds, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the sale and delivery of the Series 2019 Bonds. If the Mayor or City Recorder shall be unavailable to execute the Bonds or the other documents that they are hereby authorized to execute, attest and countersign, the same may be executed by any member of the City Council or any deputy City Recorder, respectively.

Section 5.10. Severability. If any section, paragraph, clause or provision of this Bond Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Bond Resolution.

Section 5.11. Resolutions in Conflict. All resolutions or parts thereof in conflict with the provisions of this Bond Resolution are, to the extent of such conflict, hereby repealed.

Section 5.12. This Bond Resolution shall take effect immediately upon its approval and adoption.

ADOPTED AND APPROVED by the City Council this 18th day of September, 2019.

Council Chair

ATTEST:

City Recorder

[SEAL]

PRESENTED TO THE MAYOR

Mayor

EXHIBIT B

FORM OF STATE AGENCY BONDS

**CITY OF SOUTH SALT LAKE, UTAH
TAXABLE SEWER REVENUE BOND
SERIES 2019[A][B]**

[\$2,413,000][6,835,000]

The City of South Salt Lake, Utah (the “*Issuer*”), a political subdivision and body politic of the State of Utah, 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 hereof or registered assigns, the principal amount of [\$2,413,000][6,835,000]. Principal shall be payable in registered installments on June 1 of each of the years as set forth in the following repayment schedule:

[JUNE 1	PRINCIPAL MATURING	JUNE 1	PRINCIPAL MATURING
2025	\$120,000	2035	\$121,000
2026	120,000	2036	121,000
2027	120,000	2037	121,000
2028	120,000	2038	121,000
2029	120,000	2039	121,000
2030	120,000	2040	121,000
2031	120,000	2041	121,000
2032	121,000	2042	121,000
2033	121,000	2043	121,000
2034	121,000	2044	121,000]

[JUNE 1	PRINCIPAL MATURING	JUNE 1	PRINCIPAL MATURING
2025	\$341,000	2035	\$342,000
2026	341,000	2036	342,000
2027	341,000	2037	342,000
2028	341,000	2038	342,000
2029	341,000	2039	342,000
2030	342,000	2040	342,000
2031	342,000	2041	342,000
2032	342,000	2042	342,000
2033	342,000	2043	342,000
2034	342,000	2044	342,000]

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or by redemption, shall be payable upon surrender of this bond (the “*Bond*” or “*Series 2019[A][B] Bond*”) at the offices of the Paying Agent, or of any successor Paying Agent. Payments of interest on delinquent payments shall be made to the Registered Owner thereof and shall be paid by check or draft mailed to the Registered Owner thereof at his address as it appears on the registration books of the Issuer maintained by the Registrar, or at such other address as is furnished to the Registrar in writing by such Registered Owner.

As long as the State of Utah, Department of Environmental Quality, Division of Water Quality, Water Quality Board (the “*State Agency*”) is the registered holder of this Bond, installment payments shall be made by check or draft mailed to the State Agency as the registered holder at the address shown on the registration books maintained by the Registrar.

If any installment payment of Bond principal is not paid when due and payable, the Issuer shall pay interest on the delinquent installment at the rate of 18% per annum from said due date until paid. All payments shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America. All payments shall be applied first to interest, if any, and then to principal.

THE ISSUER IS OBLIGATED TO PAY THE PRINCIPAL AND REDEMPTION PRICE OF THIS BOND SOLELY FROM THE REVENUES (THE “*REVENUES*”) OF THE SYSTEM (AS DEFINED IN THE HEREINAFTER DEFINED BOND RESOLUTION) AND OTHER FUNDS OF THE ISSUER PLEDGED THEREFOR UNDER THE BOND RESOLUTION, SUBJECT TO PAYMENT OF THE PRIOR BONDS AND THE TERMS OF THE BOND RESOLUTION. THIS BOND IS NOT A DEBT OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION ON INDEBTEDNESS. PURSUANT TO THE BOND RESOLUTION, SUFFICIENT REVENUES HAVE BEEN PLEDGED AND WILL BE SET ASIDE INTO SPECIAL FUNDS BY THE ISSUER TO PROVIDE FOR THE PROMPT PAYMENT OF THE PRINCIPAL OF 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 a special obligation of the Issuer, authorized in the maximum principal amount of \$[2,413,000][6,835,000] and designated as “Taxable Water Revenue Bonds, Series 2009[A][B]” (the “*Bonds*”). The Bonds are issued under the provisions of the Local Government Bonding Act, Chapter 14 of Title 11, Utah Code Annotated 1953, as amended (the “*Act*”), and the terms of a resolution providing for the issuance of the Bonds adopted by the City Council of the Issuer on September 18, 2019 (the “*Bond Resolution*”).

As provided in the Bond Resolution, bonds, notes and other obligations may be issued from time to time in one or more series in various principal amounts, may mature at different times, may bear interest at different rates, and may otherwise vary as provided in the Bond Resolution, and the aggregate principal amount of such bonds, notes and other obligations which may be issued is not limited. This Bond and all other bonds, notes and other obligations issued and to be issued under the Bond Resolution on a parity with this Bond are and will be equally and ratably secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in or pursuant to the Bond Resolution.

This Bond is subject to redemption at any time, in whole or in part (if in part, in integral multiples of \$1,000), at the election of the Issuer, in inverse order of the due date of the principal installments hereof, upon notice given as hereinafter set forth, at a redemption price equal to 100% of the principal amount to be so redeemed.

Notice of redemption shall be mailed by the Issuer, postage prepaid, not less than 30 days nor more than 60 days prior to the date fixed for redemption, to the registered owner of this Bond, addressed to such owner at its address appearing on the registration books maintained by the Issuer.

The Bonds are issuable in fully-registered form, without coupons, in a denomination equal to the principal amount of the bonds or, upon exchange, in the denomination of \$1,000 and any integral multiple thereof.

This Bond shall be registered in the name of the initial purchaser and any subsequent purchasers in an appropriate book in the office of the City Recorder of the Issuer, who shall be the initial Registrar. This Bond is transferable only by notation upon said book by the registered owner hereof in person or by his attorney duly authorized in writing, by the surrender of this Bond, together with a written instrument of transfer satisfactory to the Issuer, duly executed by the registered owner or his attorney duly authorized in writing; thereupon, this Bond shall be delivered to and registered in the name of the transferee.

Except as otherwise provided herein, and unless the context clearly indicates otherwise, capitalized terms used herein shall have the same meanings assigned to such terms in the Bond Resolution.

IN TESTIMONY WHEREOF, the Issuer has caused this Bond to be signed by its Mayor and countersigned by its City Recorder under the corporate seal of the Issuer this ____ day of October, 2019.

Mayor

Countersigned:

City Recorder

[SEAL]

REGISTRATION CERTIFICATE

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

DATE OF REGISTRATION	NAME OF REGISTERED OWNER	SIGNATURE OF BOND REGISTER
October __, 2019	State of Utah, Department of Environmental Quality, Division of Water Quality, Water Quality Board	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

CERTIFICATE OF STATE AGENCY PAYMENTS

The City Recorder of the City of South Salt Lake, Utah (the “*Issuer*”), as Registrar, hereby certifies that it has received from the State of Utah, Department of Environmental Quality, Division of Water Quality, Water Quality Board (the “*State Agency*”), as original purchaser of this Taxable Sewer Revenue Bond, Series 2019[A][B] (the “*Bond*”), the amount of each principal installment indicated below on the date set forth opposite such amount; that the amount last inserted under the column “Total Principal Sum” is the total amount received from the State Agency by the Issuer (the “*Issuer*”) for the purchase of this Bond; and that the City Recorder, as Registrar, has caused such certificate to be executed in the space provided opposite each such amount to evidence receipt of such payment.

DATE OF PAYMENT	AMOUNT OF PAYMENT	TOTAL PRINCIPAL SUM	REGISTRAR SIGNATURE
October __, 2019	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

PAYMENT RECORD

I, the undersigned authorized officer, on behalf of the State of Utah, Department of Environmental Quality, Division of Water Quality, Water Quality Board (the “*State Agency*”), hereby certify that the State Agency, has received from the City of South Salt Lake, Utah (the “*Issuer*”), the amounts indicated below on the dates set forth opposite such amounts in repayment (including any early redemption) of the loan evidenced by the attached Taxable Sewer Revenue Bond, Series 2019[A][B] of the the Issuer, that the amount last inserted under the column “Remaining Unpaid Principal Balance” is the total amount to be paid by the Issuer, and that I have placed my signature in the space provided opposite such amounts to evidence receipt of same:

DATE DUE	PRINCIPAL AMOUNT	DATE PAID OR PREPAID	REMAINING UNPAID PRINCIPAL BALANCE	AUTHORIZED SIGNATURE
_____	\$ _____	_____	\$ _____	_____
_____	\$ _____	_____	\$ _____	_____
_____	\$ _____	_____	\$ _____	_____
_____	\$ _____	_____	\$ _____	_____
_____	\$ _____	_____	\$ _____	_____
_____	\$ _____	_____	\$ _____	_____
_____	\$ _____	_____	\$ _____	_____
_____	\$ _____	_____	\$ _____	_____
_____	\$ _____	_____	\$ _____	_____