

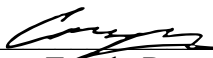
REVISED NOTICE AND AGENDA

Notice is hereby given that the Millville City Council will hold their regularly scheduled Council Meeting on Thursday, August 22, 2019, at the Millville City Office, 510 East 300 South in Millville, Utah, which meeting shall begin promptly at 6:30 p.m. (Please note that all times listed are approximate.)

1. Call to Order / Roll Call – Mayor David Hair.
2. Opening Remarks / Pledge of Allegiance – Councilmember Mark Williams.
3. Approval of agenda and time allocation.
4. Approval of minutes of the City Council Meeting – August 8, 2019.
5. Approval of minutes of the City Council Meeting – August 15, 2019.
6. Agenda Items—
 - A. Public Comment Period (2 min/person; sign-up sheet available at door prior to meeting)
 - B. Business License Request for A Dip of Darling at 700 W. 1700 S. Ste. 111 – Rachel Smith.
 - C. Report on P&Z Meeting held August 15, 2019 – Dev. Coordinator Meadows.
 - D. Consideration for adopting a resolution authorizing not more than \$15,000,000 water and sewer revenue bonds, in one or more series, for water and sewer system improvements; fixing the maximum principal amount, maturity, interest rate and discount; providing for the publication of a notice of public hearing and bonds to be issued; providing for the running of a contest period; and related matters – Mayor Hair.
 - E. Consideration for setting public hearing for September 26, 2019 to review the status of the sewer plans and discuss the total possible costs for both the sewer system and water source projects – Recorder Twedt.
 - F. Impact Fees for home rebuilds – Councilmember Grange.
 - G. Wildfire Management Cooperative Agreement – Recorder Twedt.
 - H. Consideration for Cancelling City Council Meeting scheduled for September 12, 2019 – Mayor Hair.
 - I. City Reports: Roads, Parks, Water – Public Works Director Kendrick.
 - J. Review of Eagle Scout Project for North Park Beautification – Michael Duffin.
 - K. Councilmember Reports and Other Items for Future Agendas.
7. Adjournment.

In compliance with the American with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during public meetings should notify Corey Twedt at (435) 881-2669 at least three days prior to the meeting.

This agenda was posted on August 20, 2019 to the City posting locations, the City Website and the Utah Public Meeting Notices Website.



Corey Twedt, Recorder

MILLVILLE CITY COUNCIL MEETING
City Hall – 510 East 300 South – Millville, Utah
August 8, 2019

PRESENT: David Hair, Daniel Grange, Michael Callahan, Cindy Cummings, Clay Wilker, Tara Hobbs, Harry Meadows, Chad Kendrick, Corey Twedt, Mike Wyatt, Jared Campbell, Justin Card, Guy Curtis, Pam June

Call to Order/Roll Call

Mayor David Hair called the City Council Meeting to order for August 8, 2019 at 6:30 p.m. The roll call indicated Mayor Hair and Councilmembers Cindy Cummings, Michael Callahan and Daniel Grange were in attendance with Councilmember Mark Williams excused and Councilmember Clay Wilker to arrive later. Also, Treasurer Tara Hobbs and Recorder Corey Twedt were present.

Opening Remarks/Pledge of Allegiance

Councilmember Cummings welcomed everyone to the Council Meeting and led all present in the pledge of allegiance.

Approval of agenda and time allocations

The agenda for the City Council Meeting of August 8, 2019 was reviewed.

Councilmember Cummings moved to approve the agenda for August 8, 2019.

Councilmember Callahan seconded. Councilmembers Callahan, Cummings and Grange voted yes with Councilmember Williams excused and Councilmember Wilker to arrive later. (A copy of the agenda is included as Attachment “A”.)

Approval of minutes of the previous meeting

The Council reviewed the minutes of the City Council Meeting for July 11, 2019. Mayor Hair pointed out that part of the motion regarding the 800 West Road should be edited to clarify that the 50% of the basic road treatment and maintenance that Millville is willing to pay is only for the portion of that road that fronts Millville City property. The minutes were updated accordingly. **Councilmember Callahan moved to approve the minutes for July 11, 2019.** Councilmember Grange seconded. Councilmembers Callahan, Cummings and Grange voted yes with Councilmember Williams excused and Councilmember Wilker to arrive later.

Public Comment Period

Mayor Hair opened the floor for any public comments. No one signed up for the public comment portion of the meeting.

Request for a Business License for Mike's Busted Knuckle Repair at 180 E. 200 N.

Mike Wyatt has submitted a request for a business license for Mike's Busted Knuckle Repair. He said that he is preparing to retire and would like to run a little business during retirement at a shop from his home. Mike said that he has two children with special needs that he could employ as well as bringing in a little money. He said that he has already discussed the business with his neighbors who don't have any concerns about him operating the business in that location. Recorder Twedt said that the business would not qualify for the home business fee exemption since he would be seeing clients at the home. Mayor Hair asked about his customers parking in the street. Mike said that he has a long driveway that goes back to his shop and customers won't be parking on the street. Councilmember Grange commended Mr. Wyatt for speaking to his neighbors to see if they had any concerns. **Councilmember Grange moved to approve the business license for Mike's Busted Knuckle Repair.** Councilmember Cummings seconded. Councilmembers Callahan, Cummings and Grange voted yes with Councilmember Williams excused and Councilmember Wilker to arrive later. (A copy of the license application is included with the minutes as Attachment "B".)

Report on P & Z Meetings held July 18, 2019 and August 1, 2019

Development Coordinator Harry Meadows reviewed with the Council the Planning Commission's draft minutes for the meetings held July 18, 2019 and August 1, 2019. He said that a public hearing was being held to review the combined commercial zoning that the Planning Commission has been working on and then it would come before the City Council for review. (A copy of the draft minutes is included as Attachment "C".)

Consideration for setting date for Public Hearing to review status of sewer plans

Recorder Twedt said that Franson Engineering has been progressing on their designs and are nearly finished with a preliminary plan of the piping and flow of the proposed sewer lines. It is recommended that a public hearing be held to review the current status of the plans and get input on pipe location concerns. As indicated in the agenda packet, the plan was to schedule that hearing for the end of August. Earlier this morning, Recorder Twedt spoke with the bonding attorney that will be helping the City through the bonding process. One of the bonding requirements is to have a public hearing to review the maximum possible costs for the projects. Before that hearing can be held, the City Council must review and approve a bonding resolution. This resolution will be ready for review at the meeting on August 22nd. With the posting notification requirements and to have everything needed for public review, Recorder Twedt recommended that the public hearing be held at a larger venue on the second regularly scheduled meeting of September.

Councilmember Callahan discussed the option of having a hearing in August and in September. The consensus of the Council was to hold a single hearing in September as there would be more information available for the public. The actual scheduling of the hearing will be done at a future City Council meeting.

Construction Water

Public Works Director Chad Kendrick explained that in the past the City has provided a grace period before beginning to charge for water usage on new building lots. He suggested that this wasn't necessary and that the City should begin charging for water usage that is being used sooner. Treasurer Hobbs suggested that they begin charging within a month of the installation of the meter. Recorder Twedt said he didn't like the idea of there being more overhead and a timeframe in which Treasurer Hobbs would have to track when she should begin sending bills. He suggested that as soon as the water meter is connected and the builder is using water, they should be billed just like all of the other water users in the City. Councilmember Cummings agreed that they should pay the flat rate and for usage when the meter is installed. Councilmember Grange said that he expected there wasn't a lot of usage during construction for most users and agreed that they could be charged upon initial connection of the meter. Councilmember Callahan said that he thought charging right away made sense and that he expected the builders to be more careful in not wasting water if they knew that they were paying for it.

Councilmember Wilker arrived at this time.

Stellar Auto Complaint

Councilmember Cummings suggested that this concern be moved to the next meeting when the Nielsons could attend. Mayor Hair said that moving it was fine, but that his recommendation anyway was to monitor the business as well as other parts of the City for a little while to see what the impact is and if there are similar concerns in other areas. Councilmember Cummings agreed that this made sense. Councilmember Wilker said that he went up to check it out as well as reviewing the complaint and he was okay with the suggestion of monitoring the issue for a while.

Councilmember Cummings said that this had been discussed as an issue throughout the City and not only in a certain location. There are several people parking campers and trailers in the right-of-way and there is even a toilet on her street that has been there for some time. She suggested reminding people to make sure they are aware of the ordinance. Recorder Twedt said that a reminder had been in the July newsletter and would be in the August newsletter as well.

Councilmember Callahan said he liked the idea of starting to monitor the situation now and not putting it off until the next meeting. He suggested that staff and all Councilmembers spend time driving around and looking at this issue as well as other areas.

Councilmember Callahan motioned to monitor the situation for 60 days and then revisit the situation at the City Council Meeting following that time period.

Councilmember Wilker seconded. There was some additional discussion about looking at the entire City and not just this street. Mayor Hair said that after 60 days, the Council could meet and discuss the magnitude of the problem and next steps. Councilmember Callahan said that at that time they could decide how to enforce the City Code or potentially make

changes to the code if needed. Councilmembers Callahan, Cummings, Grange and Wilker voted yes with Councilmember Williams excused.

Consideration to Appoint Lynette Dickey for another term as Planning Commissioner

Councilmember Grange said that he had spoken with Commissioner Dickey and she is interested in serving another term. **Councilmember Grange motioned to appoint Lynette Dickey for another term as Planning Commissioner.** Councilmember Callahan seconded. Councilmembers Callahan, Cummings, Grange and Wilker voted yes with Councilmember Williams excused. Recorder Twedt said that he would attend a future P&Z Meeting to swear her in.

Consideration of a Resolution updating the Subdivision Final Plat Recording Fee

Recorder Twedt explained that final plats are delivered to the County and they send the City a bill for the filing fee. The County fee has recently increased and this resolution is intended to increase the fee that Millville collects to help cover the costs for new subdivisions.

Councilmember Cummings moved to adopt Resolution 2019-14. Councilmember Grange seconded. Councilmembers Callahan, Cummings, Grange and Wilker voted yes with Councilmember Williams excused. (The approved resolution is included with the minutes as Attachment "D".)

Jessop Abandoned Home

Development Coordinator Meadows explained that he had sent a letter to Colleen Jessop with requirements for the abandoned home on Main Street. She lives in Paradise. Harry has not heard anything back or seen any action on the home. Coordinator Meadows has received a bid from ARS for \$4,750 to do the work he has requested which the City would have to pay. He has also spoken with the County Treasurer who said that to do a tax lien, the letter would need to be hand-delivered to the home owner. Harry plans to hand deliver the letter with a Deputy from the Sheriff's Department. Because of the timing, the tax lien could not happen this year. Treasurer Hobbs said that Colleen also owes approximately \$1,000 in water fees.

Mayor asked for a second bid for the work that is being requested. Recorder Twedt suggested that the inside of the home did not need to be cleaned up and that the home just needed to be boarded up. The Council agreed that the nothing needed to be done on the inside of the home.

Councilmember Wilker asked why this was being brought up as an issue. Coordinator Meadows said that he thinks it is an issue because he saw movement inside and that after review with the Sheriff's Department it is clear that people have been inside very recently. Councilmember Wilker said that he wonders about the liability we are getting into by

getting involved. Development Coordinator Meadows said that he spoke to the City attorney who said that the law allows for what he is requesting be done. Councilmember Callahan said that he worries about the liability if something were to happen at the home and the City took no action in preventing entry.

The Council asked for another bid and then to review this at a future meeting. (The information is included with the minutes as Attachment “E”.)

Skinner Spring Use Request

Public Works Director Kendrick reviewed the email request received from Jared Campbell regarding the Millville-owned Mathews/Skinner Spring. Jared Campbell explained that he has purchased a lot with a small spring that produces 3-5 gallons of water per minute that currently just soaks back into the ground on his lot and the neighboring lot. This is fairly close to the Skinner Spring which is owned by the City. Jared is planning to build on his lot after the City sewer system is in place.

Mayor Hair said that Jared had mentioned three options in his email. Two of them are not feasible options. He can’t dispose of his spring water in the storm drain or into the sewer system. Jared said that he has spoken to the Spendloves who are willing to sign an easement allowing him to pipe the water over to the Skinner Spring for disposal in the winter when his water is not being used to irrigate his property.

Public Works Director Chad Kendrick explained that the Cemetery District leases water from the Skinner Spring during the summer. He said that with water and pipes, comes liability. Exposing the water system to water from this small spring owned by a resident would come with risks. Additionally, with the ongoing water system project, the City doesn’t even know yet what will be done with that spring. Mayor Hair agreed and said that Jared wanted to use the water during the time of year when everybody needs water and then have the City deal with it in the winter when nobody wants it.

Councilmember Callahan suggested Jared build a cylinder and sink the water back into the ground on his property.

Director Kendrick said that he didn’t think it was worth the risk for the City to connect the excess water to the City system. Councilmember Wilker said that he agreed and pointed out that the canal companies have major concerns about their canals being used for dumping extra water. Councilmember Cummings said that she agreed that this is not something the City should be involved with. (The information is included with the minutes as Attachment “F”.)

Repair of partial turnaround at 400 E. in Majestic Heights

Development Coordinator Meadows explained that there is an asphalt cut of 83’ for a turnaround on 400 East because when the Majestic Heights Subdivision was built, the road didn’t go through. The sidewalk in this area is also cracked and in bad shape. Development

Coordinator Meadows suggested that the City pay to cut the asphalt out and replace the curb and gutter and the sidewalk. The engineering cost estimate is approximately \$5,800. Apparently, there was no plan on who should pay to remove the turn-around when the road went through. Harry said that this is in the City right-of-way and not the responsibility of the home-owner.

Public Works Director Kendrick said that the City needs to figure out how to deal with this in the future as it may happen again. The Hunsaker Subdivision will have a similar problem unless there is a plan in place for how the developers should pay to remove the turn-around when the road eventually goes through.

Councilmember Grange asked if they could just leave it how it is. Coordinator Meadows said that the maximum curb cut allowed by City Code is 32' for storm water control. He said that it would be an issue if there was a major rainstorm. Councilmember Wilker asked about the grade in that spot. Public Works Director Kendrick said that the sidewalk is five or six inches higher than the road so there would have to be a lot of water for it to be a problem.

Councilmember Cummings asked if the nearby homeowners had brought up the issue. Development Coordinator Meadows said that the Hollands hadn't complained and that they had just planned to leave it the way it was. The other neighboring lot is currently vacant. Mayor Hair said that making repairs now may not make sense since we don't know where the builders will put the driveway on the vacant lot. Councilmember Wilker said that they would likely break up the sidewalk more as well when they build their home.

Councilmember Grange said that he struggles with the idea of the City paying for the repair. Councilmember Callahan said that he thinks the City should save as much money as possible for the sewer and water projects. Councilmember Cummings said that she didn't think this repair was a priority right now. Councilmember Wilker said that the road would need repairs anyway in the future after the sewer lines go in. Mayor Hair agreed and suggested this be reviewed later along with the sewer project road repairs. Councilmember Callahan agreed.

Councilmember Cummings requested that Planning and Zoning provide a recommendation on how to deal with similar situations in the future. (The information is included with the minutes as Attachment "G".)

Consideration for Appointing Harry Meadows as Nuisance Inspector

Mayor Hair said that he thinks that this is a good idea, but that all decisions should be reviewed by the elected official in charge of code enforcement, which is currently Councilmember Wilker.

Councilmember Cummings asked what the expectation was for the nuisance inspector. She said that she was concerned that they would turn into a police community. Development Coordinator Meadows said that the idea surfaced because there are several lots that are not

being taken care of currently and that he would like to push them to comply with City Code. Councilmember Grange said that he was okay if it was dealing with some weeds on vacant lots, but that there is a lot of noncompliance throughout the City on small infractions and that he doesn't like the idea of the City going out and searching for infractions that aren't causing any problems.

Development Coordinator Meadows said that he didn't want to be the nuisance inspector if the Council did not want to follow the ordinances. Councilmember Wilker asked if Harry planned on enforcing the code to the letter of the law. Harry said that yes, this is what he would do as nuisance inspector.

Councilmember Wilker motioned to not appoint Harry Meadows as the nuisance inspector. Councilmember Grange seconded. Councilmembers Callahan, Cummings, Grange and Wilker voted yes with Councilmember Williams excused.

Councilmember Grange said that he wanted to clarify. He said that he was not against talking to people about maintaining their lots. He said that he just doesn't want to be too particular on going after violations that are not causing issues.

Councilmember Wilker said that his thought is that if the Council receives a written complaint, then they should address the issue. Development Coordinator Meadows says that he disagrees. There are ordinances that are not being followed. Either they should make people follow the ordinances or they should change the Code. Councilmember Wilker said that doing what Harry is proposing would take a huge amount of time and resources.

Mayor Hair said that some of the ordinances were established for worse case scenarios. If we start going after the letter of the law on every issue, you could find issues at most of the homes throughout the City. Mayor Hair said that he would speak to the owner of the lots about clearing the weeds.

Development Coordinator Meadows said that he is not a Councilmember and that he should follow the rules and not make exceptions. Mayor Hair said that this is why those decisions should be made on the City Council level. The Council can make the judgement calls as elected officials.

Councilmember Wilker said that he doesn't understand why they needed to do anything different than what they do now. Right now, there is a process where if there is a problem, it comes before the Council and then a decision is made. Councilmember Cummings said that it was a fine line in keeping the City looking nice and not being too strict. (The information is included with the minutes as Attachment "H".)

Councilmember Reports and Items for Future Agendas

(A copy of the Councilmember Assignments List is included with the minutes as Attachment "I".)

Councilmember Callahan said that he would like to look at the future land use map in a future meeting. Mayor Hair agreed that this would be good, but suggested it wait just a little bit, because of all of the things that are currently underway in the City. Councilmember Callahan said he thought this was fine.

Councilmember Grange said that he had heard that the splash pad had been closed. Public Works Director Kendrick said that they had lost power to a pump and needed to shut down the splash pad for a few hours. He said that the electrical panel for that well pump is not quite big enough and that he had been looking at upgrading it sometime soon. There was some discussion and it was determined that it could fit in the current budget and that we should pursue the upgrade.

Councilmember Wilker asked Recorder Twedt to try and set up a meeting for him to meet with CRS Engineering to review the storm water concerns at Ridgeline High School. He said that he would be available on Friday if there is a time that day that they could meet.

Recorder Twedt reminded the Council of the Truth in Taxation Public Hearing scheduled for next Thursday the 15th at 7:30 p.m. regarding the proposed tax rate and the final Fiscal Year 2020 Budget.

Recorder Twedt also said that they needed to post a position to hire for a new substitute crossing guard. He said that he would put a notice in the newsletter, on the posting boards and on the City Website.

Adjournment

Councilmember Cummings moved to adjourn the meeting. Councilmember Wilker seconded. Councilmembers Callahan, Cummings, Grange and Wilker voted yes with Councilmember Williams excused. The meeting adjourned at 7:55 p.m.

MILLVILLE CITY COUNCIL MEETING
City Hall – 510 East 300 South – Millville, Utah
August 15, 2019

PRESENT: David Hair, Daniel Grange, Michael Callahan, Cindy Cummings, Mark Williams, Clay Wilker, Tara Hobbs, Chad Kendrick, Corey Twedt, Pam June, Justin Card, Darcy Ripplinger

Call to Order/Roll Call

Mayor David Hair called the City Council Meeting to order for August 15, 2019 at 7:30 p.m. The roll call indicated Mayor Hair and Councilmembers Cindy Cummings, Michael Callahan, Clay Wilker, Mark Williams and Daniel Grange were in attendance. Also Treasurer Tara Hobbs and Recorder Corey Twedt were present.

Opening Remarks/Pledge of Allegiance

Councilmember Grange welcomed everyone to the Council Meeting and led all present in the pledge of allegiance.

Approval of agenda and time allocations

The agenda for the City Council Meeting of August 15, 2019 was reviewed.

Councilmember Callahan moved to approve the agenda for August 15, 2019.

Councilmember Cummings seconded. Councilmembers Callahan, Cummings, Grange and Williams voted yes with Councilmember Wilker excused. (A copy of the agenda is included as Attachment “A”.)

Introduction to Budget Revisions and Proposed Tax Rate Increase

Recorder Twedt briefly explained the minor updates to the budget since the preliminary adoption in June:

- Original plan was to purchase a well backup generator for \$35k. Mayor Hair found some slightly used generators previously used for cell phone towers that cost \$4k each. This updated budget included two of these used generators.
- The CIB grants that the City received for the water and sewer projects will equal about \$81k. That amount has been added to the revenue side of the budget and the engineering expenses from the Water Fund have increased some to account for the final numbers we have for the planning stages of the utility projects and this 50% CIB match.
- We now have an idea of the legal fees needed for the bonding process which has been added as well. Typically, this is about \$8,000 per project, but since we have two at the same time, we can maximize our value a little bit and it is planned to cost somewhere around \$12,000 to \$15,000 total.

Recorder Twedt said that the property tax information is best illustrated in the information packet that had been provided to everyone in the room. (A copy of the Property Tax Information Packet is included as Attachment "B".)

PUBLIC HEARING

Councilmember Grange moved to go into the public hearing. Councilmember Wilker seconded. Councilmembers Callahan, Cummings, Grange, Wilker and Williams voted yes.

PUBLIC HEARING: 7:30 p.m.

Commenced at 7:34 p.m.

PRESENT: David Hair, Daniel Grange, Michael Callahan, Cindy Cummings, Mark Williams, Clay Wilker, Tara Hobbs, Chad Kendrick, Corey Twedt, Pam June, Justin Card, Darcy Ripplinger

Mayor Hair explained that the purpose of the hearing was to receive public input on the proposed property tax rate increase and Fiscal Year 2020 Budget.

Public Comment:

Justin Card said that he has lived in Millville for about one and a half years. He asked some questions regarding the certified tax rate. Recorder Twedt explained that the certified tax rate is the rate provided by the County that will keep an entity at the same tax revenue as they were the year before minus any population growth. If a City wants to deviate from the certified rate, one of these Truth in Taxation Hearings must be held. He also discussed how some cities address their tax rate by getting to a revenue level that they think is sustainable and then keeping the tax rate percentage the same every year. The result of this is that if property values increase, so will the tax rate revenue. This is one way to try to account for inflation. This method is different than accepting the certified tax rate. By holding a tax rate percentage, an entity will typically have to go through Truth in Taxation since they are increasing the tax revenue they will be receiving.

Justin Card asked about the large expenses planned from Park Impact Fees in the Fiscal Year 2020 Budget. Recorder Twedt explained that impact fees come from new development and have restrictions on what they can be used for. Millville has been saving up on the impact fees for several years with the intent of adding a sprinkler system to the South Park. That project is scheduled to begin this fall.

Justin Card asked about the Water Engineering expenses. Recorder Twedt explained that for the water and sewer projects, the City had applied for planning grants and received a 50% match from CIB. The engineering expenses on the budget are to cover the 50% match for the planning of these projects.

Justin Card also asked about the total cost of the sewer system. Recorder Twedt explained that this number isn't finalized yet, but that there would be a public hearing in September to review estimates.

The Council thanked Justin for attending and for his great questions.

Councilmember Williams moved to close the public hearing. Councilmember Cummings seconded. Councilmembers Callahan, Cummings, Grange, Wilker and Williams voted yes.

Consideration of a Resolution Adopting the 2019 Property Tax Rate

Mayor Hair reviewed the resolution with the City Council that would set the Millville City property tax rate at 0.000774.

Recorder Twedt commented that the tax rate increase is not a direct result of the sewer and water projects. This increase as well as possible future increases are needed to get the City to a sustainable level and to catch up to inflation. Costs of supplies and labor continue to increase and the City needs additional revenue to keep up. Councilmember Callahan said that with the added infrastructure in the City, he sees the need for the tax rate increase. Councilmember Wilker commented that the City needed to also have funds to be competitive to keep employees working in Millville.

Councilmember Williams moved to approve Resolution 2019-15, A Resolution adopting the 2019 property tax rate. Councilmember Cummings seconded. Councilmembers Callahan, Cummings, Grange, Wilker and Williams voted yes. (The adopted resolution is included with the minutes as Attachment "C".)

Consideration of a Resolution Adopting the Final Fiscal Year 2020 Budget

Mayor Hair reviewed the resolution with the City Council that would set the Fiscal Year 2020 Budget.

Councilmember Cummings moved to approve Resolution 2019-16, A Resolution adopting the Fiscal Year 2020 Budget. Councilmember Callahan seconded. Councilmembers Callahan, Cummings, Grange, Wilker and Williams voted yes. (The adopted resolution is included with the minutes as Attachment "D".)

Adjournment

Councilmember Grange moved to adjourn the meeting. Councilmember Cummings seconded. Councilmembers Callahan, Cummings, Grange, Wilker and Williams voted yes. The meeting adjourned at 7:43 p.m.



Millville City

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510 East 300 South
Millville, Utah 84326
(435) 750-0924 corey@millvillecity.org
www.millvillecity.org

CHECK APPLICABLE BOX

- | | |
|--|--|
| ☒ Commercial | ☐ New Application |
| ☐ Home Business | ☐ Application Amendment |
| CHANGE OF: | |
| ☐ Ownership | ☐ Business Name |
| ☒ Address | ☐ Business Description |

Business License Application

For businesses with a permanent physical location within the Millville City limits.
This is not the application for special events, temporary businesses or solicitors.

License No. _____

Date Received _____

SECTION I: Business Information

Application Contact: Rachel Smith Contact Ph: 435-764-8888

A. Business Name "DBA": A Dip Of Darling

B. Business Location: 700 W 1700 S Ste.111 Logan, UT 84321 Millville, UT 84326
Street Address (include unit #)

C. Mailing Address: _____ ☒ Same as "B. Business Location"
ATTN: _____ Street (include unit#)/PO Box address _____ City, State, Zip _____

D. Local Business Ph: 435-764-8888 Fax: NA www: adipofdarling.com

SECTION II: Business Description — General (complete the commercial or the Home Business AND the far right column)

COMMERCIAL

Building/plaza: Building

Is this a secondary use within an existing business location?

☐ Yes, in _____ ☒ No

Hours of Operation: 9-2

Type of Operation: (mark all that apply)

- ☐ Sales/Service: Customers typically come on site
☒ Sales/Service: Customers rarely come on-site
☐ Service no sales
☐ Fresh food service and/or preparation
☐ Manufacturing
☐ Medical/dental
☐ Daycare
☐ Instruction
☐ Preschool
☐ Other: _____

Previous use of location:

695 West 1700 South Unit 100

HOME BUSINESS

Please Note:

A home business does not change the aesthetic character of the area and zone.

On-site employees? ☒ Yes ☐ No

If yes,

Up to how many? 6 Working hours? 25

Where will they park? warehouse parkin

On-site customers? ☒ Yes ☐ No

If yes,

Up to how many per day? 0-5

Up to how many per week? 5-10

Where will they park? warehouse parkin

On-site business will be performed from a:

(mark all that apply)

- ☐ Home office ☐ Garage/storage room
☐ Desk and chair ☐ Carport/driveway
☐ Shed/out building ☐ Vehicle
☐ Other: office inside of warehouse

Do you intend to set-up off-site?

(i.e.in parking lot, at festivals, within stores)

☐ Yes ☒ No

Proposed start date: September 1

This Business Includes:

- | Yes | No |
|-------------------------------------|---|
| ☒ | ☐ Signage |
| ☐ | ☒ Alcohol sales and/or services |
| ☐ | ☒ Live entertainment on-site |
| ☐ | ☒ Door-to-door solicitation |
| ☐ | ☒ Fireworks sales on-site |
| ☐ | ☒ Vending machines on-site |
| ☐ | ☒ On-site secondary business |
| ☐ | ☒ On-site events (ie. community party parking lot/sidewalk sales) |
| ☐ | ☒ Investment advice and/or service |
| ☐ | ☒ Pesticides use and storage |
| ☐ | ☒ Hazardous materials use and storage |
| ☐ | ☒ Vehicle sales |
| ☐ | ☒ Firearms or explosives sales |
| ☐ | ☒ Care of children or preschool |
| ☐ | ☒ Any construction jobs over \$1,000 |
| ☐ | ☒ Piercing, tattooing, perm, make-up |
| ☐ | ☒ Used merchandise transactions |
| ☐ | ☒ Changes to existing garbage service |
| ☐ | ☒ Vehicles, trailers, mowers, etc. (stores on site) |
| ☐ | ☒ Electrical, plumbing, structural, or mechanical changes to site |

SECTION III: Business Description — Specific ☐ (attach additional pages if necessary)

A Dip Of Darling is an online clothing business. We manufacture our own clothing. We offer womens clothing, shoes, accessories, and are currently in the works of a At Leisure line. Feel free to let me know if you have any other questions.

Thanks, Rachel Smith

SECTION IV: Additional Information

- E. Utah State Tax Commission — Sales Tax Number:** 13754434-003-WTH ☐ Not applicable
- F. State & federal regulatory agency licensing info:** 46-2970354 ☐ Not applicable
(Not referring to an EIN or entity number)
- G. Did you use “One-Stop Online Business Registration” to Register your business with state and federal agencies?**
☐ Completely ☐ Partially ☒ Not at all ☐ I do not know — someone else did it
- H. Previous Business Name:** _____ ☒ Not applicable
- I. Previous Business Location:** _____ ☒ Not applicable

SECTION V: Ownership (Parent business entity and business officer information)**Parent Entity**Parent Business Name: _____ ☒ same as “A. Business Name DBA”State Entity Type: ☐ Sole Proprietorship ☐ Partnership ☐ LLC ☒ Corporation ☐ Non-Profit Corporation (w/501 c3 letter)**Officers (1)**Officer Name: Rachel Smith Contact Ph. 435-764-8888Home Address: 660 East 1250 South Providence, UT, 84332
Street (include unit #) / PO Box Address City, State, ZIP**Sole Prop./Partnership**☒ Owner
☐ Local Manager**LLC**☐ Member
☐ Manager
☐ Local Manager**Corporation**☐ President
☐ Director
☐ Officer
☐ Local Manager☒ This person can be contacted in the event of an after-hours police or fire emergency.**Officers (2)**Officer Name: Sara Banham Contact Ph. 435-764-0613Home Address: 1568 East 2200 North North Logan, UT, 84341
Street (include unit #) / PO Box Address City, State, ZIP**Sole Prop./Partnership**☒ Owner
☐ Local Manager**LLC**☐ Member
☐ Manager
☐ Local Manager**Corporation**☐ President
☐ Director
☐ Officer
☐ Local Manager☒ This person can be contacted in the event of an after-hours police or fire emergency.**SECTION VI: Notification and Verification of Authority**

- 1) Mandatory review process** – this application does not constitute a business license. All applications are subject to the review process mandated by Title 5 of the Municipal Code. Incomplete applications will not be processed. Decisions on applications will take 15 days (minimum), and are made based on:
(i) the information provided on the application, and
(ii) review of the Mayor and City Council
- 2) Additional Requirements** – Under the Municipal Code, additional Business License application requirements are necessitated for some business types.
- 3) Denial of License** – Application denial or subsequent license suspension or revocation are most often the result of:
(i) an inaccurate or incomplete application, or failure to update information with the City and/or
(ii) non-compliance with the Municipal Code, Land Use Code, and/or applicable building, fire, and environmental codes.
- 4) Other regulatory bodies** – It is the applicant’s responsibility to determine and comply with any requirements from other regulatory agencies.
- 5) Signage** – Permanent signage requires a separate Sign Permit Application, which is located on the city web site, Millvillecity.org.
- 6) Building alterations** – All alterations to buildings or spaces, including electrical, plumbing, and mechanical alterations, require a separate building application.

I/We hereby agree to conduct said business strictly in accordance with the business license regulations as set forth in the Millville City Code, and swear under penalty of law the information contained herein is true.

Signature of Owner/Authorized Agent _____

Printed Name _____

Date _____

SECTION VII: For administration use only**Classification:** ☐ Conforming ☐ Non-Conforming ☐ Child Care ☐ Home Business ☐ Low Impact ☐ Medium Impact**Conditional Use:** (If box is checked see conditions)☐ Agree ☐ Do not agree Signature: _____ Date: _____☐ Yes ☐ No City Council grants permission Signature: _____ Date: _____**FEES** ☐ \$25.00☐ EXEMPT**PAYMENT TYPE**☐ RECEIPT

MILLVILLE PLANNING COMMISSION MEETING

City Hall - 510 East 300 South - Millville, Utah

Aug 15, 2019

1. Roll Call:

Commissioners Lynette Dickey, Larry Lewis, Darcy Ripplinger (Alt.) and Matt Anderson (Alt.).

Others Present:

Development Coordinator Harry Meadows, Treasurer Tara Hobbs, Recorder Corey Twedt, Councilman Daniel Grange and Chad Kendrick. Secretary Adria Davis recorded the minutes.

2. Opening Remarks/Pledge of Allegiance

Commissioner Dickey opened the meeting at 8:02 p.m.
She led all present in the Pledge of Allegiance.

3. Review and Approval of agenda

The agenda for the Planning Commission meeting of Aug 15, 2019 was reviewed. A motion was made by Commissioner Lewis to approve the agenda as presented. Commissioner Anderson (Alt.) seconded. Commissioners Dickey, Lewis, Anderson (Alt.) and Ripplinger (Alt.) voted in Favor with Commissioners Thompson and Farmer absent, and Chairman Greenhalgh excused.

4. Review and Approval of the Minutes from Aug 1, 2019

The Planning Commission meeting minutes were reviewed. A motion was made by Commissioner Ripplinger (Alt.) to approve the minutes as outlined. Commissioner Lewis seconded. Commissioners Dickey, Lewis, Anderson (Alt.) and Ripplinger (Alt.) voted in Favor with Commissioners Thompson and Farmer absent, and Chairman Greenhalgh excused.

5. Swearing In: Lynette Dickey

Recorder Twedt swore in Commissioner Dickey for another term.

6.A Public Hearing regarding Commercial Zoning Changes

Commissioner Dickey made a motion to open the Public Hearing at 8:05 pm. Commissioner Lewis seconded. Commissioners Dickey, Lewis, Anderson (Alt.) and Ripplinger (Alt.) voted in Favor with Commissioners Thompson and Farmer absent, and Chairman Greenhalgh excused.

Commissioners Thompson and Farmer arrived at the meeting.

No public comments were made.

Commissioner Farmer moved to close the public hearing. Commissioner Thompson seconded. Commissioners Dickey, Lewis, Farmer, Thompson, Anderson (Alt.) and Ripplinger (Alt.) voted in Favor with Chairman Greenhalgh excused.

Commissioner Thompson made a motion to recommend to City Council the approval of the proposed changes to Commercial Zoning. Commissioner Lewis seconded. Commissioners Dickey, Lewis, Farmer, Thompson, Anderson (Alt.) and Ripplinger (Alt.) voted in Favor with Chairman Greenhalgh excused.

6.B. Recommendation to City Council regarding Commercial Zoning.

Commissioner Farmer made a motion to recommend to City Council the approval of the proposed changes to resolution 2014-2. Commissioner Ripplinger (Alt.) seconded. Commissioners Dickey, Lewis, Farmer, Thompson, Anderson (Alt.) and Ripplinger (Alt.) voted in Favor with Chairman Greenhalgh excused.

6.C. Other

Treasurer Hobbs reviewed a situation where a citizen wants to purchase an existing home in Millville then bulldoze the whole structure and build a new home on the property. She was questioning if the impact fees would still apply.

It was discussed that there is no new impact to the city so they shouldn't have to pay the full amount. The topic was referred to Councilman Grange to discuss in City Council.

Development Coordinator Meadows reviewed a situation where the Hadfields had restructured their parcel to include a smaller piece which had previously been zoned as Hillside Overlay. They will be building on the larger parcel which no longer includes a Hillside Overlay.

Sewer progress was reviewed, and a public hearing will be held the first meeting in September.

7. City Council Report – review minutes from the Aug 8, 2019 meeting.

No comments were made.

8. Agenda Items for Next Meeting

Nothing pending

9. Calendaring of future Planning Commission Meeting

The next regularly scheduled meeting will be held Thursday, Sept 5, 2019 at 8:00 pm.

10. Adjournment

Commissioner Dickey moved to adjourn the meeting at 8:26 p.m.



AGENDA REPORT: SEWER/WATER PUBLIC HEARING

August 22, 2019

Background

As we have discussed before, we now have a rough first draft of the sewer pipe layout for Millville City. We should have a public hearing to review the current status and seek public input.

We need to be clear on what this review will and will not include. The planning that has been completed up to this point includes a layout of the proposed sewer pipe locations. The engineers created this by reviewing possible interference with water pipe and other infrastructure and by analyzing slopes throughout the City to make a system that will require as little pumping as possible. The review will show where the pipes would be located and the current proposed depths for a primarily gravity-fed system. Also, the engineers plan to provide recommendations on the phases for construction. A public hearing would give residents an opportunity to ask questions of the engineers as to why certain design decisions were made and listen to recommendations and concerns.

Additionally, as one of the requirements in the funding process, the engineers have estimated the total maximum costs for both a new well and for the sewer system. The estimates are for the highest possible costs for these projects and then some additional fluff was added on top to get to a total combined amount of \$15,000,000. This doesn't mean that the City will bond for this amount. It does mean that this is the maximum amount that the City could bond for. We need to have some extra to account for contingencies and possible problems. The current estimate for the sewer lines in Millville City is \$10,215,800 including all engineering and construction costs and also assuming that the City bonds the lateral connections all the way from the house to property boundary. This number also accounts for an initial "impact fee" for each house if the sewer system goes to Logan City which has not yet been negotiated. The total engineering estimate for the water project and new well and well house is \$1,660,083. These numbers will be reviewed in the hearing so that the public knows the maximum bonding the City could possibly go after. This will allow the public to provide input on the debt decisions being made.

What we will not be ready to discuss in this hearing is the monthly user rates. There is a lot of work that still needs to be done on the engineering as well as with the funding agencies before those questions can be answered. Additionally, although estimates may be provided on construction timelines, they are only best guesses at this point until the engineering design work is complete and we have secured funding.

As discussed previously, a larger venue may be needed for this hearing. The elementary school has been reserved for the regularly scheduled meeting on September 26th. The

recommendation would be to have the hearing start at 7 p.m. If the regular Council meeting begins at 6:30 p.m., this would give a little time for some business to happen before the hearing. The MCYC will be sworn in that day as well which will be good with the bigger space.

Included Documents

There are three resolutions included that the Council should review.

The Parameter Resolution is the resolution that is up for consideration of adoption at this meeting.

The Authorizing Resolution and the Master Resolution are incorporated by reference in the Parameter Resolution. The Authorizing Resolution and Master Resolution will each be adopted at a later date.

**MILLVILLE CITY, UTAH
WATER AND SEWER REVENUE BONDS
PARAMETERS RESOLUTION
AUGUST 22, 2019**

RESOLUTION 2019-17

A RESOLUTION AUTHORIZING NOT MORE THAN \$15,000,000 WATER AND SEWER REVENUE BONDS, IN ONE OR MORE SERIES, FOR WATER AND SEWER SYSTEM IMPROVEMENTS; FIXING THE MAXIMUM PRINCIPAL AMOUNT, MATURITY, INTEREST RATE, AND DISCOUNT; PROVIDING FOR THE PUBLICATION OF A NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AND RELATED MATTERS.

WHEREAS, pursuant to the provisions of the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, (the “Act”), the City Council (the “Council”) of Millville City, Cache County, Utah (the “Issuer”), has authority to issue its Water and Sewer Revenue Bonds, in one or more series, in an amount not to exceed \$15,000,000 (the “Bonds”) for the municipal purposes set forth therein; and

WHEREAS, the Act provides for the publication of a Notice of Public Hearing and Bonds to be Issued, and the Issuer desires to publish such a notice at this time in compliance with the Act with respect to the Bonds:

NOW, THEREFORE, it is hereby resolved by the City Council of Millville City, Cache County, Utah, as follows:

Section 1. The Council of the Issuer hereby finds and determines that it is in the best interests of the Issuer and its residents for the Issuer to issue not more than \$15,000,000 aggregate principal amount of its Water and Sewer Revenue Bonds, in one or more series (the “Bonds”), to bear interest at a rate or rates of not to exceed five and one half percent (5.50%) per annum, to mature in not more than forty (40) years from their date or dates, and to be sold at a price not less than ninety-nine percent (99%) of the total principal amount thereof, for the purpose of financing, in part, (i) Water and Sewer system Improvements, and related improvements, and (ii) to pay the costs of issuing the Bonds, all pursuant to this Resolution, a resolution to be adopted by the Council authorizing and confirming the issuance and sale of the Bonds (herein referred to collectively as the “Bond Resolution”) in substantially the form attached hereto as Exhibit “A”, and the Issuer hereby declares its intention to issue the Bonds according to the provisions of this Resolution and the Bond Resolution, when adopted, and to sell the Bonds to the purchaser(s).

Section 2. The Issuer hereby authorizes and approves the issuance and sale of the Bonds to the purchaser(s) to be identified in the Bond Resolution, pursuant to the provisions of this Resolution and the Bond Resolution, to be adopted by the Council

authorizing and confirming the issuance and sale of the Bonds, with such changes thereto as shall be approved by the Council upon the adoption of the Bond Resolution, provided the terms of the Bonds fall within the parameters as set forth in Section 1.

Section 3. The Issuer hereby calls a public hearing for September 26, 2019 at 6:30 p.m., or as soon thereafter as feasible, to receive input from the public with respect to the issuance of the Bonds described herein and with respect to the potential economic impact that the improvements, facilities or properties described herein for which the Bonds pay all or part of the cost will have on the private sector.

Section 4. In accordance with the provisions of the Act, the Issuer shall cause a “Notice of Public Hearing and Bonds to be Issued” substantially in the form attached hereto, to be published once a week for two consecutive weeks in The Herald Journal, a newspaper of general circulation in the Issuer, and shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the Issuer’s office in Millville, Utah for public examination during the regular business hours of the Issuer for at least thirty (30) days from and after the date of publication therein.

Section 5. The Issuer hereby retains Eric Todd Johnson, partner with Blaisdell, Church & Johnson, LLC to act as Bond Counsel.

Section 6. The City Recorder is further directed to post the Notice of Public Hearing and Bonds to be Issued on the Utah Public Notice Website created under 63F-1-701 no less than 14 days before the public hearing called herein.

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.

Section 8. A Record of Proceedings is attached hereto and the City Recorder is hereby directed to complete it.

APPROVED AND ADOPTED this August 22, 2019.

Mayor

ATTEST AND COUNTERSIGN:

City Recorder

(SEAL)

EXHIBIT A

BOND RESOLUTION
(See Transcript Document No. __)

EXHIBIT B

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act") that on August 22, 2019, the City Council (the "Council") of Millville City, Cache County, Utah (the "Issuer") adopted a resolution (the "Resolution") in which it authorized the issuance by the Issuer of its Water and Sewer Revenue Bonds, in one or more series (the "Bonds"), in the aggregate amount of not to exceed Fifteen Million Dollars (\$15,000,000), to bear interest at a rate or rates of not to exceed five and one half percent (5.50%) per annum, to mature in not more than forty (40) years from their date or dates, and to be sold at a price not less than ninety-ninety percent (99%) of the total principal amount thereof. The estimated total cost to the Issuer for the proposed Bonds, if the Bonds are held until the maximum maturity, based on the maximum interest rate is \$37,135,461. As Water and Sewer Revenue Bonds, the Bonds will be secured by the net revenues of the Issuer's water and sewer system, and no taxes will be pledged as security. Presently the Issuer has no more than \$1,481,000 in outstanding bonds secured by a pledge of its water and sewer revenues.

The Bonds will be issued pursuant to the Resolution, and a Bond Resolution (the "Authorizing Bond Resolution"), to be adopted authorizing and confirming the sale of the Bonds for the purpose of financing, in part, (i) Water and Sewer System improvements, including the Issuer's system, and related improvements, and (ii) to pay the costs of issuing the Bonds. The Authorizing Bond Resolution is to be adopted by the Council with such changes as shall be approved by the Issuer at the time of adoption of the Authorizing Bond Resolution, and said Authorizing Bond Resolution is to be adopted by the Council with such changes as shall be approved by the Council upon its adoption; provided that the principal amount, interest rate or rates, maturity and discount of the Bonds will not exceed the maximums set forth above.

NOTICE IS FURTHER GIVEN that the Issuer called a public hearing for September 26, 2019, at 6:30 p.m., or as soon thereafter as feasible, in the City Council regular meeting place at 510 E. 300 S., Millville, Utah to receive input from the public with respect to the issuance of the Bonds and the potential economic impact that the facilities and related improvements to be paid for in whole or in part with the Bonds will have on the private sector. The maximum amount, interest rate, maturity, and discount on the Bonds will be as set forth above. As revenue obligations, no taxes are proposed to be pledged for repayment of the Bonds.

A copy of the Resolution, the Authorizing Bond Resolution are on file in the office of the City Recorder in the City offices in Millville, Utah, where they may be examined during regular business hours of the City Recorder from 10:00 a.m. to 12:00 p.m. Tuesdays and Thursdays, or by appointment, for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Authorizing Bond Resolution, the Bonds, or any provision made for the security and payment of the Bonds by filing a verified written complaint in the district court of the county in which he or she resides and that after such time, other than referendum rights, no one shall have any cause of action to contest the regularity, formality or legality thereof for any cause whatsoever.

DATED this August 22, 2019.

/s/ Corey Twedt
City Recorder

EXHIBIT C

RECORD OF PROCEEDINGS

The City Council (the “City Council”) of Millville City, Cache County, Utah (the “Issuer”), met in public session at the regular meeting place of the Council at 510 E. 300 S., Millville, Utah, on August 22, 2019 (the “Meeting”), at the hour of 6:30 p.m., or as soon thereafter as feasible, with the following members of the City Council being present:

David Hair	Mayor
Michael Callahan	Councilmember
Clay Wilker	Councilmember
Cindy Cummings	Councilmember
Mark Williams	Councilmember
Daniel Grange	Councilmember

Also present:

Corey Twedt	City Recorder
-------------	---------------

Absent:

which constituted all the members thereof.

After the Meeting had been duly called to order and after other matters were discussed, the foregoing resolution (the “Resolution”) was introduced in written form and fully discussed.

A motion to adopt the Resolution was then duly made by _____ and seconded by _____, and the Resolution was put to a vote and carried, the vote being as follows:

Those voting YEA:

Those voting NAY:

Those Abstaining:

Other business not pertinent to the Resolution appears in the minutes of the Meeting. Upon the conclusion of all business on the Agenda and motion duly made and carried, the Meeting was adjourned.

CERTIFICATE OF CITY RECORDER

I, Corey Twedt, the duly appointed and qualified City Recorder of Millville City, Cache County, Utah (the “Issuer”), do hereby certify that the attached Resolution is a true, accurate and complete copy thereof as adopted by the City Council at a regular meeting duly held on August 22, 2019 (the “Meeting”). The Meeting was called and noticed as required by law as is evidenced by the attached Certificate of Compliance with Open Meeting Law. The persons present and the result of the vote taken at the Meeting are all as shown above. The Resolution, with all exhibits attached, was deposited in my office on August 22, 2019 and is officially of record in my possession.

I further certify that I caused the Notice of Public Hearing and Bonds to be Issued to be posted on the Utah Public Notice Website created under Section 63F-1-701 no less than 14 days before the public hearing called by the Resolution.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of the Issuer, this August 22, 2019.

(S E A L)

City Recorder

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

I, Corey Twedt, the undersigned City Recorder of 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 twenty-four (24) hours public notice of the agenda, date, time and place of the August 22, 2019 public meeting, held by the Issuer as follows:

(a) By causing a Notice, in the form attached hereto (the "Meeting Notice"), to be posted at the Issuer's principal offices, at least twenty-four (24) hours prior to the convening of the meeting, the Meeting Notice having continuously remained so posted and available for public inspection until the completion of the meeting; and

(b) By causing a copy of the Meeting Notice to be delivered to a newspaper of general circulation in the geographic jurisdiction of the Issuer at least twenty-four (24) hours prior to the convening of the meeting.

(c) By causing a copy of the Meeting Notice to be posted on the Utah Public Notice Website at least twenty-four (24) hours prior to convening the meeting.

(d) By causing a copy of the Meeting Notice to be delivered to each member of the City Council of the Issuer at least twenty-four (24) hours prior to the convening of the Meeting.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this August 22, 2019.

City Recorder

(S E A L)

(Attach Meeting Notice, including proof of posting thereof on the Utah Public
Notice Website)

**MILLVILLE CITY, UTAH
WATER AND SEWER REVENUE BONDS**

**AUTHORIZING RESOLUTION
SEPTEMBER 26, 2019**

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAXIMUM AMOUNT OF \$15,000,000 WATER AND SEWER REVENUE BONDS, IN ONE OR MORE SERIES, PURSUANT TO A MASTER RESOLUTION TO BE APPROVED BY THE MAYOR, CITY RECORDER AND COUNCIL MEMBER _____ AS THE PRICING COMMITTEE, FOR WATER AND SEWER SYSTEM IMPROVEMENTS, AND RELATED IMPROVEMENTS; AND RELATED MATTERS.

WHEREAS, the City Council (the “City Council”) of Millville City, Cache County, Utah (the “Issuer”) desires to finance, in part, (i) water and sewer system improvements, and related improvements (the “Project”), and (ii) to pay the costs of issuing the bonds, pursuant to the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Act”); and

WHEREAS, on August 22, 2019, the Issuer adopted a parameters resolution setting forth the maximum aggregate principal amount, interest rate, maturity, and discount for bonds related to the Project; and

WHEREAS, in order to accomplish those purposes the Issuer desires to issue its Water and Sewer Revenue Bonds, in one or more series, in the aggregate principal amount of not to exceed \$15,000,000 (the “Bonds”) pursuant to this Resolution, and a Master Resolution(s) (the “Master Resolution”) attached as Exhibit B; and

WHEREAS, the Act provides that the Issuer may, by resolution, delegate to one or more officers of the Issuer the authority to: (i) in accordance with and within the parameters set forth in the August 22, 2019 parameters resolution, approve the final interest rate or rates, price, principal amount, maturity or maturities, redemption features, and other terms of the Bond(s); and (ii) approve and execute all documents relating to the issuance of the Bond(s).

WHEREAS, the Bonds shall be payable solely from the Net Revenues and other moneys pledged therefor in the Master Resolution, and shall not constitute or give rise to a general obligation or liability of the Issuer or constitute a charge against its general credit or taxing powers; and

WHEREAS, the Issuer desires to delegate to its Mayor, City Recorder and Councilmember _____ (together, the “Pricing Committee”), in accordance with the August 22, 2019 parameters resolution and this Resolution, the authority to approve the final interest rate or rates, price, principal amount, maturity or maturities,

redemption features, and other terms of the Bonds; and (ii) approve and execute all documents relating to the issuance of the Bonds, all in one or more series, in accordance with the Master Resolution:

NOW THEREFORE, IT IS HEREBY RESOLVED by the City Council of Millville City, Cache County, Utah, as follows:

Section 1. The terms defined or described in the recitals hereto shall have the same meanings when used in the body of this Resolution.

Section 2. All actions heretofore taken (not inconsistent with the provisions of this Resolution), by the Council and by the officers of the Issuer directed toward the issuance and sale of the Bonds, in one or more series, are hereby ratified, approved and confirmed.

Section 3. The Master Resolution attached hereto as Exhibit B is authorized and approved, with such changes thereto as shall be approved by the Pricing Committee, as authorized by Section 11-14-302 of the Act, provided that the principal amount, interest rate or rates, maturity and discount shall not exceed the maximums set forth in August 22, 2019 parameters resolution of \$15,000,000 aggregate principal amount of its Bonds, in one or more series, to bear interest at the rate or rates of not to exceed five and one half percent (5.50%) per annum, to mature in not more than forty (40) years from their date or dates, and to be sold at a price not less than ninety-nine percent (99%) of the total principal amount thereof.

Section 4. The Mayor, City Recorder and Councilmember _____ are hereby appointed to be the Pricing Committee with respect to the Bonds, in one or more series, and are further authorized and directed, and the power is hereby delegated to them, to execute and deliver the Bonds and the Master Resolution and all documents relating to the issuance of the Bonds on behalf of the Issuer, with such additions, modifications, deletions and changes thereto as may be deemed necessary or appropriate and approved by the Mayor, whose execution thereof on behalf of the Issuer shall conclusively establish such necessity, appropriateness and approval with respect to all such additions, modifications, deletions and changes incorporated therein.

Section 5. For the purposes set forth in the Master Resolution the Issuer authorizes the issuance of the Bonds, in one or more series, which shall be designated "Millville City, Cache County, Utah Water and Sewer Revenue Bonds", in the total aggregate principal amount of not to exceed \$15,000,000. The Bonds shall bear interest, shall be dated, shall be issued as fully registered Bonds, and shall mature as provided in the Master Resolution, as shall be approved by the Pricing Committee.

Section 6. 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, as shall be approved by the Pricing Committee. The Mayor and City Recorder are hereby authorized and directed to execute

and seal the Bonds and to deliver the Bonds upon payment therefore. The signatures of the Mayor and the City Recorder may be by facsimile or manual execution.

Section 7. The Pricing Committee of the Issuer is authorized and directed to execute and deliver the written order of the Issuer for authentication and delivery of the Bonds in accordance with the provisions of the Master Resolution.

Section 8. The Bonds shall be sold to the Purchaser(s) on the terms to be agreed upon by the Pricing Committee, provided that the principal amount, interest rate or rates, maturity and discount shall not exceed the maximums set forth in August 22, 2019 parameters resolution of \$15,000,000 aggregate principal amount of its Bonds, in one or more series, to bear interest at the rate or rates of not to exceed five and one half percent (5.50%) per annum, to mature in not more than forty (40) years from their date or dates, and to be sold at a price not less than ninety-nine percent (99%) of the total principal amount thereof.

Section 9. Upon their issuance, the Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Bonds and the Master Resolution. No provision of this Resolution, the Master Resolution, the Bonds, or any other instrument, shall be construed as creating a general obligation of the Issuer, or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Issuer or its taxing powers.

Section 10. The Pricing Committee and other appropriate officials of the Issuer are authorized and directed to execute, seal and deliver for and on behalf of the Issuer any or all additional certificates, documents and other papers and to perform all other acts they may deem necessary or appropriate in order to carry out the matters and documents authorized by this Resolution.

Section 11. After the Bonds are delivered to the Purchaser(s), and upon receipt of payment therefor, the Master Resolution, as shall be approved by the Pricing Committee, shall be and remain irrevocable until the principal of, premium, if any, and interest on the Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Master Resolution.

Section 12. In accordance with the provisions of the Act, the Issuer has designated the The Herald Journal as the official newspaper of the Issuer authorized to publish legal notices for the Issuer, and in accordance with the Act, the City Recorder has caused a "Notice of Public Hearing and Bonds to be Issued" to be (1) published once each week for two consecutive weeks in the The Herald Journal, with the first publication being not less than 14 days before the public hearing, and (2) posted on the Utah Public Notice Website not less than 14 days before the public hearing, and (3) has caused a copy of a Parameters Resolution (with all exhibits attached) to be kept on file in the office of the City Recorder of the Issuer for public examination during regular business hours for at least thirty (30) days from and after the last publication thereof.

Section 13. All parts of this Resolution are severable, and if any section, clause or provision of this Resolution is, for any reason, held to be invalid or unenforceable, the invalidity or unenforceability of that section, clause or provision does not affect the remaining sections, clauses or provisions of this Resolution.

Section 14. All resolutions, orders and regulations or parts previously adopted or passed which are in conflict with this Resolution are, to the extent of such conflict, repealed. This repealer shall not be construed so as to revive any resolution, order, regulation or part thereof heretofore repealed.

Section 15. The City Recorder is directed to complete the attached Record of Proceedings.

Section 16. This Resolution shall take effect immediately upon its approval and adoption. This Resolution is deemed and shall constitute the legislative action of the City Council with respect to the approval of the Bonds, and no further legislative action is anticipated at this time. The approval and execution of the Master Resolution by the Pricing Committee, as authorized and delegated herein, is deemed and shall constitute an administrative action.

PASSED, APPROVED AND ADOPTED this September 26, 2019.

Mayor

ATTEST:

City Recorder

(S E A L)

RECORD OF PROCEEDINGS

The City Council (the “Council”) of Millville City, Cache County, Utah (the “Issuer”), met in public session at the regular meeting place of the Council in Millville, Utah, on September 26, 2019, at the hour of 6:30 p.m., or as soon thereafter as feasible, with the following Councilmembers of the Council being present:

David Hair	Mayor
Michael Callahan	Councilmember
Clay Wilker	Councilmember
Cindy Cummings	Councilmember
Mark Williams	Councilmember
Daniel Grange	Councilmember

Also present:

Corey Twedt	City Recorder
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Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the City Recorder presented to the Council a Certificate of Compliance with Open Meeting Law with respect to this September 26, 2019 meeting, a copy of which is attached hereto as Exhibit A.

The following resolution was then introduced in writing, was fully discussed, and pursuant to motion duly made by Councilmember _____ and seconded by Councilmember _____, adopted by the following vote:

YEA:

NAY:

ABSTAIN:

The resolution was then signed by the Mayor in open meeting and recorded by the City Recorder in the official records of Millville City, Cache County, Utah.

Other business not pertinent to the foregoing ordinance appears in the minutes of the Meeting. Upon the conclusion of all the business on the agenda and upon motion duly made and seconded, the Meeting was adjourned

CERTIFICATE OF CITY RECORDER

I, Corey Twedt, the undersigned and duly qualified and acting City Recorder of the Issuer do hereby certify:

The attached Resolution is a true, accurate and complete copy thereof adopted by the City Council of the Issuer at a lawful public meeting duly held and conducted by the City Council in Millville, Utah, on September 26, 2019, commencing at the hour of 6:30 p.m., or as soon thereafter as feasible (the "Meeting"), as recorded in the regular official book of the proceedings of the Issuer kept in my office. The Meeting was called and noticed as required by law as is evidenced by the following Certificate of Compliance with Open Meeting Law. The persons present and the result of the vote taken at the Meeting are all as shown above. Attached hereto is an affidavit of publication of the foregoing ordinances or a summary thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer, this September 26, 2019.

(S E A L)

City Recorder

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Corey Twedt, the undersigned City Recorder of 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 twenty-four (24) hours public notice of the agenda, date, time, and place of the September 26, 2019, public meeting held by the Issuer as follows:

(i) By causing a notice, in the form attached hereto (the "Meeting Notice"), to be posted at the Issuer's principal offices at least twenty-four (24) hours prior to the convening of the meeting, the Meeting Notice having continuously remained so posted and available for public inspection until the completion of the meeting; and

(ii) By causing a copy of the Meeting Notice to be delivered to a newspaper of general circulation in the Issuer at least twenty-four (24) hours prior to the convening of the meeting.

(iii) By causing a copy of the Meeting Notice to be posted on the Utah Public Notice Website at least twenty-four (24) hours prior to the meeting.

(iv) By causing a copy of the Meeting Notice to be delivered to each member of the City Council of the Issuer at least twenty-four (24) hours prior to the convening of the Meeting.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this September 26, 2019.

City Recorder

(S E A L)

(Attach Meeting Notice, including proof of posting thereof on the Utah Public Notice Website)

EXHIBIT B

FORM OF MASTER RESOLUTION

(See Transcript Document No. __)

MILLVILLE CITY, UTAH
MASTER RESOLUTION
_____, 20__

A MASTER RESOLUTION APPROVED BY THE PRICING COMMITTEE AS CREATED AND AUTHORIZED BY THE SEPTEMBER 26, 2019 RESOLUTION OF THE CITY COUNCIL OF THE CITY, WHICH HEREBY AUTHORIZES THE CITY'S (1) \$_____ WATER & SEWER REVENUE BONDS, SERIES 2019A FOR WATER AND SEWER SYSTEM IMPROVEMENTS; AND RELATED MATTERS; AND (2) \$_____ WATER & SEWER REVENUE BONDS, SERIES 2019B FOR WATER AND SEWER SYSTEM IMPROVEMENTS; AND RELATED MATTERS.

WHEREAS, Millville City, Utah (the "Issuer"), desires to finance, in part, water and sewer system improvements, and related improvements, and related facilities (the "Project"), including all equipment and necessary appurtenances thereof, and desires to finance said project, in part, by issuing its Water & Sewer Revenue Bonds, Series 2019A in the total principal amount of \$_____ bearing interest at the rate of _____ percent (____%) per annum (the "Series 2019A Bonds"), to be purchased by the _____, and its Water & Sewer Revenue Bonds, Series 2019B in the total principal amount of \$_____ bearing interest at the rate of _____ percent (____%) per annum (the "Series 2019B Bonds" and collectively with the Series 2019A Bonds, the "Series 2019 Bonds") to be purchased by the _____; and

WHEREAS, the Issuer has previously issued its Outstanding Obligations (as defined herein) for improvements to the Issuer's water and sewer system; and

WHEREAS, the Series 2019 Bonds shall be issued on a parity with the Outstanding Obligations such that the Series 2019 Bonds and Outstanding Obligations shall be equally secured by a first lien pledge on the Net Revenues of the Issuer's System (as said terms are defined herein); and

WHEREAS, the Issuer does not have on hand money to pay the cost thereof, but with the exception of the Issuer's Outstanding Obligations, the revenues to be derived by the Issuer from the operation of its System will not be pledged or hypothecated in any manner or for any purpose at the time of the issuance of the Series 2019 Bonds; and

WHEREAS, the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated, 1953, as amended (the "Act"), provides that the Issuer may issue nonvoted revenue bonds as long as revenues generated from the revenue producing facilities of the Issuer are sufficient to pay for operation and maintenance of said facilities and debt service on all outstanding obligations secured by the revenues of said facilities; and

WHEREAS, the Issuer has been advised that its System will generate sufficient revenues to pay for the operation and maintenance of the System as well as debt service on

all proposed and outstanding obligations secured by the revenues of the System, including the Series 2019 Bonds authorized herein; and

WHEREAS, the _____ (the “_____”) has offered to finance, in part, the Project in the total principal amount of \$_____, with a loan in the principal amount of \$_____ on the Series 2019A Bonds, bearing interest at a rate of _____ percent (____%) per annum; and

WHEREAS, the Mayor, City Recorder, and Councilmember Judd as the Pricing Committee authorized by a resolution of the City Council (the “Council”) of the Issuer adopted on September 26, 2019, has determined that it is in the best interest of the Issuer to finance a portion of the costs of the Project by accepting the financing from the _____ in the total principal amount of \$_____, and a loan in the maximum principal amount of \$_____ bearing interest at a rate of _____ percent (____%) per annum, as evidenced by the Issuer’s Water & Sewer Revenue Bonds, Series 2019A as authorized by the Bonding Act; and

WHEREAS, the Issuer desires to accept the offer of the _____ and to confirm the financing of the Series 2019A Bonds in the total principal amount of \$_____ bearing interest at a rate of _____ percent (____%) per annum (the Series 2019A Bonds);

WHEREAS, the _____ (the “_____”) has offered to finance the Project, in part, in the total principal amount of \$_____, bearing interest at the rate of _____ percent (____%) per annum (the Series 2019B Bonds); and

WHEREAS, the Mayor, City Recorder, and Councilmember _____ as the Pricing Committee authorized by a resolution of the City Council (the “Council”) of the Issuer adopted on September 26, 2019, has determined that it is in the best interests of the Issuer and its residents to finance a portion of the costs of the Project by accepting the grant and loan from the _____ a loan evidenced by the Series 2019B Bonds in the total principal amount of \$_____ bearing interest at the rate of _____ percent (____%) per annum, as authorized by the Bonding Act; and

WHEREAS, the Issuer desires to accept the offer of the _____ and to confirm the financing of \$_____ from the _____, bearing interest at the rate of _____ percent (____%) per annum (the Series 2019B Bonds) on the unpaid principal amount:

NOW, THEREFORE, the Pricing Committee of Millville City, Cache County, Utah approves this Master Resolution, as follows:

ARTICLE I

DEFINITIONS

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

“Annual Debt Service” means the annual payment of principal, premium or penalty, if any, to be paid by the Issuer during any Sinking Fund Year on the Series 2019 Bonds, or other forms of indebtedness issued on a parity with the Series 2019 Bonds and which are secured by the Net Revenues of the System.

“Bondholder” or “Registered Owner” means the registered holder of any Series 2019 Bond, the issuance of which is authorized herein.

“Bonds” means the Series 2019A Bonds, and the Series 2019B Bonds and the Outstanding Bonds and any bonds issued on a parity therewith.

“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, selected by the Issuer to receive deposits for the Sewer Revenue Account as herein described, the deposits of which Bank shall be insured by the Federal Deposit Insurance Corporation.

“Depreciation Reserve Fund” means a reserve fund set up by the Issuer to fully fund depreciation of Project facilities on an annual (fiscal year) basis as long as any of the Series 2019A Bonds are outstanding.

“Escrow Account” means an account to be held in escrow by the Escrow Agent pursuant to the Escrow Agreement, and to be used for the purpose of depositing and accounting for the proceeds of the sale of the Series 2019 Bonds pursuant to the terms of the Escrow Agreement.

“Escrow Agent” means the Utah State Treasurer, Salt Lake City, Utah, who shall so act pursuant to the terms of the Escrow Agreement.

“Escrow Agreement” means escrow account entered into among the Issuer, the _____ and the Escrow Agent, as entered into as of the delivery date of the Series 2019 Bonds.

“Exchange Bonds” means the fully registered Series 2019A Bonds issued in substantially the form set forth in Exhibit A-2, in exchange for the State Bonds representing the Series 2019A Bonds or in exchange for other Exchange Bonds, in the denomination of \$1,000 or any integral multiple thereof; and the fully registered Series 2019B Bonds issued in substantially the form set forth in Exhibit B-2, in exchange for the State Bonds representing the Series 2019B Bonds or in exchange

for other Exchange Bonds, in the denomination of \$1,000 or any integral multiple thereof

“Fully Registered Bond” means any single Fully Registered Bond in the denomination(s) equal to the aggregate principal amount of the applicable Series 2019 Bonds authorized herein.

“Issuer” means Millville City, Cache County, Utah or its successors.

“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 sewer or wastewater treatment, whether incurred by the Issuer or paid to 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, the cost of audits hereinafter required, fees of the paying agents on the Bonds, payment of premiums for insurance on the System hereafter required and, generally, all expenses, exclusive of depreciation, which under generally accepted accounting practices are properly allocable to operation and maintenance of the System, but only such expenses as are reasonably and properly necessary to the efficient operation and maintenance of the System shall be included.

“Outstanding Obligations” means the Issuer’s Water and Sewer Revenue bonds, Series 2001 in the original principal amount of \$391,000; and its Water Revenue Bonds, Series 2006 in the original principal amount of \$1,741,000.

“Paying Agent” means the person or persons authorized by the Issuer to pay the principal of and 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.

“Project” means the water and sewer system improvements, and related improvements to the Issuer's System, including all equipment and necessary appurtenances thereof.

“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 Installment” means \$ ____ per month on the Series 2019A Bonds, and means \$ ____ per month on the Series 2019B Bonds.

“Reserve Fund Requirements” means \$ ____ on the Series 2019A Bonds, and \$ ____ on the Series 2019B Bonds, which amounts shall be accumulated in

accordance with the terms of this Master Resolution over a period not to exceed six years.

“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, impact fees imposed to finance the Project, if any, to the extent such impact fees are pledged and available for payment of the Series 2019 Bonds, 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.

“Serial Bonds” means the fully registered Water & Sewer Revenue Bonds, Series 2019A, and/or the Water & Sewer Revenue Bonds, Series 2019B in the denomination of \$1,000 or any integral multiple thereof, which may be issued in exchange for the Fully Registered Water & Sewer Revenue Bonds, Series 2019A and/or the fully registered Water & Sewer Revenue Bonds, Series 2019B in the denomination of \$1,000 or any integral multiple thereof, which may be issued in exchange for the Fully Registered Series 2019B Bonds, as is appropriate.

“Series 2019 Bond or Bonds” means collectively, the Series 2019A Water & Sewer Revenue Bonds and the Series 2019B Water & Sewer Revenue Bonds.

“Series 2019A Bonds” means the Issuer’s Water & Sewer Revenue Bonds, Series 2019A in the total principal amount of \$_____ bearing interest at the rate of _____ percent (___%) per annum purchased by the _____.

“Series 2019B Bonds” means the Issuer’s Water & Sewer Revenue Bonds, Series 2019B in the total principal amount of \$_____ bearing interest at the rate of _____ percent (___%) per annum purchased by the _____.

“Sinking Fund Year” means the twelve-month period beginning on July 1 of each year and ending on the next succeeding June 30; provided, however, that the first Sinking Fund Year will begin on the delivery date of the Series 2019 Bond and will end on the next succeeding June 30.

“State Bonds” means the fully registered Series 2019A Bonds, issued in substantially the form set forth in Exhibit A-1 in the denominations equal to the aggregate principal amount of the Series 2019A Bonds; and the fully registered Series 2019B Bonds, issued in substantially the form set forth in Exhibit B-1 in the denominations equal to the aggregate principal amount of the Series 2019B Bonds.

“System” means the whole and each and every part of the Issuer’s water and sewer collection and/or treatment system, including the Project to be acquired and constructed pursuant to this Master Resolution, 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 said System, together with all improvements, extensions, enlargements, additions, and repairs thereto which may be made while any of the Bonds remain outstanding.

“_____” means the _____, or any successor agency.

“_____” means the _____, or any successor agency.

ARTICLE II

ISSUANCE OF SERIES 2019A BONDS

Section 2.1. Principal Amount, Designation and Series 2019A Bonds The Series 2019A Bonds shall be issued pursuant to the Bonding Act and are hereby authorized for issuance for the purpose of financing, in part, the (a) Water and Sewer system improvements, and related improvements, and (b) paying the costs of issuing the Bonds. The Series 2019A Bonds are hereby authorized to be issued by the Issuer in the total principal amount of \$_____, and shall be issued (i) if issued as a State Bond(s), in the form set forth in Exhibit A-1, and (ii) if issued as Exchange Bonds, in the form set forth in Exhibit A-2, in fully registered form, and shall bear interest at the rate of _____ percent (___%) per annum and shall be payable as specified herein. If issued as Exchange Bonds, the Series 2019A Bonds shall be in the denomination of \$1,000 or any integral multiple thereof, except that one may be issued in an odd denomination. The Series 2019A Bonds shall be numbered from one (1) consecutively upward in order of delivery by the Registrar. The Series 2019A Bonds shall be designated as, and shall be distinguished from the bonds of the Issuer of all other series by the title, "Water & Sewer Revenue Bonds, Series 2019A."

The Series 2019A Bonds shall be dated as of the date of their delivery, shall be in the total principal amount of \$_____ and shall bear interest at the rate of _____ percent (___%) per annum on the unpaid principal. Both principal and interest on the Series 2019A Bonds shall be payable in lawful money of the United States of America to the registered owner of the Series 2019A Bonds at the address of such owner shown on the registration books of the Issuer.

The Series 2019A Bonds are issued on parity with the Issuer's Outstanding Obligations and the Series 2019B Bonds, such that the Series 2019A Bonds are secured by a pledge of the Net Revenues of the Issuer's System, which pledge is on parity with and equal to the pledge on the Outstanding Obligations and the Series 2019B Bonds.

Section 2.2. Advances of Proceeds. On or before fifteen (15) days prior to the first day of each calendar quarter, beginning prior to the payment by the Issuer of costs of construction of the Project, or at such other time as shall be specified by the _____, the Issuer shall provide to the _____ a certificate setting forth a schedule of the costs of the Project which the Issuer estimates will become due and payable by the Issuer prior to the next succeeding calendar quarter and are properly payable with the proceeds of the Series 2019A Bonds. Advances made by the _____ on the basis of such certificates shall be deposited in the Escrow Fund. All such advances shall be in the minimum amount of \$1,000 or any integral multiple thereof. Upon receipt of evidence of deposit of each advance in the Escrow Fund, the Mayor or City Recorder of the Issuer shall give telephonic authorization followed by written confirmation to the _____ to stamp or write the date and amount of such advance made by the _____ and the corresponding "Total Principal Amount" in the appropriate places on the Certificate of Dates of Payment and Amount appearing on the State Bonds. The amount of each advance made by the _____ on the State Bonds shall constitute proceeds of the State Bonds and collectively shall be deemed to constitute the full

purchase price of the Series 2019A Bonds and the total amount of the funding advanced by the _____ shall constitute the Total Principal Amount of the loan as noted on the Certificate of Dates of Payment and Amount appearing on the State Bonds. As advances are made by the _____, the Total Principal Amount shall constitute the total principal amount of the Series 2019A Bonds in the order of maturity of the Series 2019A Bonds.

Section 2.3. Purchase Price. The _____ has committed to purchase the Series 2019A Bonds for a purchase price in the total principal amount of \$ _____.

Section 2.4. Date and Maturities. The Series 2019A Bonds shall be dated as of their date of delivery, shall be in the amount of \$1,000 or any multiple thereof, and shall be paid as provided in this Section 2.4. The Series 2019A Bonds shall be initially issued as one Fully Registered State Bond.

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or by redemption, shall be payable upon presentation of the applicable Bond at the offices of the Paying Agent for endorsement or surrender, or of any successor Paying Agent. Payment 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 _____ is the Registered Owner of the State Bond, payments of principal shall be made by check or draft and mailed to the _____ as the Registered Owner at the address shown on the registration books maintained by the City Recorder. So long as the _____ is the Registered Owner of the State Bond, in lieu of presentation or the surrender of the State Bond to the Paying Agent for notations by the Paying Agent of such payments, the _____, by its Chair or his designee, shall endorse such payments upon the State Bond.

The Issuer shall make the principal payments, along with accrued but unpaid interest, if any, stated for each year, until the Total Principal amount shall be paid in full, payable on each February 1 beginning February 1, 20____, as follows:

<u>February 1</u>	<u>Principal Maturing</u>
20____	\$ _____
20____	
20____	
20____	
20____	
20____	
20____	
20____	
20____	
20____	

February 1

Principal Maturing

20__

\$ _____

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

In the event the Series 2019 Bonds are not issued during the calendar year 2019, then the series of bonds shall be denominated to show the year in which the Bonds are issued.

In the event the bid from the lowest responsible bidder on the Project shows that the costs of the Project will exceed the amount of loan commitments the Issuer has already obtained, then, as authorized in Section 11-14-302 of the Act, the Issuer hereby authorizes the Mayor, City Recorder and Council member _____, as a pricing committee, to approve a final principal amount and repayment schedule for the Series 2019 Bonds within the parameters set forth in the Notice of Public Hearing and Bonds to Be Issued published once each week for two consecutive weeks with the first publication being at least 14 days before this resolution and also posted on the Utah Public Notice Website at least 14 days before this resolution, which parameters are in the aggregate principal amount of not to exceed \$_____, to bear interest at a rate or rates not to exceed _____ percent (____%) per annum, to mature in not more than _____ (____) years from their date or dates, and to be sold at a price not less than 99% of the total principal amount thereof and all other terms of the Series 2019 Bonds, and to approve and execute all documents related to the issuance of the Series 2019 Bonds. The City Recorder is authorized to attest such signatures and apply the City seal as appropriate.

Section 2.5. Redemption and Redemption Prices.

Optional Redemption. Each principal payment of the Series 2019A Bond is subject to prepayment and 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,

and by lot selected by the Issuer if less than all of the State Bonds of a particular due date are to be redeemed, upon notice as provided in Section 2.6 hereof with respect to Exchange Bonds, and upon at least thirty (30) days' prior written notice of the amount of prepayment and the date scheduled for prepayment to the _____ with respect to the State Bonds, and at a redemption price equal to 100% of the principal amount to be prepaid or redeemed, to the date of redemption.

Section 2.6. Notice of Redemption for Exchange Bonds.

(a) In the event any of the Exchange Bonds are to be redeemed, the Registrar shall cause notice to be given as provided in this Section 2.6. Notice of such redemption shall be mailed by first class mail, postage prepaid, to all Registered Owners of Exchange Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar at least thirty (30) days but not more than forty-five (45) days prior to the date fixed for redemption. Such notice shall state the following information:

(i) the complete official name of the Exchange Bonds, including series, to be redeemed, the identification numbers of the Exchange Bonds being redeemed;

(ii) any other descriptive information needed to identify accurately the Exchange Bonds being redeemed, including, but not limited to, the original issue date of such Exchange Bonds;

(iii) in the case of partial redemption of any Exchange 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 Exchange Bond or portion thereof called for redemption; and

(vii) the place where such Exchange Bonds are to be surrendered for payment of the redemption price, designating the name and address of the redemption agent with the name of a contact person and telephone number.

(b) Upon the payment of the redemption price of Exchange Bonds being redeemed, each check or other transfer of funds issued for such purpose shall identify the Exchange Bonds being redeemed with the proceeds of such check or other transfer.

(c) The Registrar shall not give notice of such a redemption until there are on deposit with the Paying Agent sufficient funds for the payment of the redemption price.

Notice of redemption shall be given, not more than forty-five (45) days nor less than thirty (30) days prior to the redemption date, to Registered Owners of the Exchange Bonds, or portions thereof, to be redeemed. A second notice of redemption shall be given, not later than ninety (90) days subsequent to the redemption date, to Registered Owners of Exchange Bonds or portions thereof redeemed but who failed to deliver Series 2019A Bonds for redemption prior to the 60th day following such redemption date. Any notice mailed shall be conclusively presumed to have been duly given, whether or not the Registered Owner of such Series 2019A Bonds receives the notice. Receipt of such notice, shall not be a condition precedent to such redemption, and failure so to receive any such notice by any of such Registered Owners shall not affect the validity of the proceedings for the redemption of the Series 2019A Bonds.

In case any Exchange Bond is to be redeemed in part only, the notice of redemption which relates to such Exchange Bond shall state also that on or after the redemption date, upon surrender of such Series 2019A Bond, a new Series 2019A Bond in principal amount equal to the unredeemed portion of such Series 2019A Bond will be issued.

Section 2.7. Execution and Delivery of the Series 2019A Bonds. The Mayor is hereby authorized to execute by manual or facsimile signature the Series 2019A Bonds and the City Recorder to countersign by manual or facsimile signature the Series 2019A Bonds and to have imprinted or otherwise placed on the Series 2019A Bonds the official seal of the Issuer. The City Recorder is hereby authorized to deliver to the _____ the Series 2019A Bonds upon payment to the Issuer of the proceeds thereof.

Section 2.8. Delinquent Payment. Payments on the Series 2019A Bonds which are delinquent from the due date thereof shall draw interest at the rate of eighteen percent (18%) per annum on the delinquent payment from said due date until paid in full.

Section 2.9. Exchange of State Bonds. As long as the _____ is the sole Registered Owner of the Series 2019A Bonds, the Series 2019A Bonds shall be issued only as the State Bonds in the form prescribed in Exhibit A-1. It is recognized that the _____ may sell or otherwise transfer the Series 2019A Bonds pursuant to the provisions of the State Financing Consolidation Act, Title 63, Chapter 65, Utah Code Annotated 1953, as amended, or otherwise. In the event the _____ determines to sell or otherwise transfer all or a portion of the Series 2019A Bonds pursuant to the State Financing Consolidation Act, or otherwise, the State Bonds shall be exchanged at the office of the Paying Agent for a like aggregate principal amount of Exchange Bonds in accordance with the provisions of this Section 2.9 and Section 4.1 hereof. Exchange Bonds may thereafter be exchanged from time to time for other Exchange Bonds in accordance with Section 4.1 hereof. Any Series 2019A Bond, or any portion thereof, which is sold or otherwise transferred or liquidated by the

_____ pursuant to the State Financing Consolidation Act, or otherwise, shall be in the form of an Exchange Bond prescribed in Exhibit A-2, and shall be executed pursuant to authorization contained in Section 2.7 hereof. Each principal payment on the State Bonds not previously paid or canceled 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 Bonds for Exchange Bonds, provided that the _____ 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

ISSUANCE OF SERIES 2019B BONDS

Section 3.1. Principal Amount, Designation and Series 2019B Bonds The Series 2019B Bonds shall be issued pursuant to the Bonding Act and are hereby authorized for issuance for the purpose of financing, in part, the (a) Water and Sewer system improvements, and related improvements, and (b) paying the costs of issuing the Bonds. The Series 2019B Bonds are hereby authorized to be issued by the Issuer in the total principal amount of \$_____, and shall be issued (i) if issued as a State Bond(s), in the form set forth in Exhibit B-1, and (ii) if issued as Exchange Bonds, in the form set forth in Exhibit B-2, in fully registered form, and shall bear interest at the rate of _____ percent (____%) per annum and shall be payable as specified herein. If issued as Exchange Bonds, the Series 2019B Bonds shall be in the denomination of \$1,000 or any integral multiple thereof, except that one may be issued in an odd denomination. The Series 2019B Bonds shall be numbered from one (1) consecutively upward in order of delivery by the Registrar. The Series 2019B Bonds shall be designated as, and shall be distinguished from the bonds of the Issuer of all other series by the title, "Water & Sewer Revenue Bonds, Series 2019B."

The Series 2019B Bonds shall be dated as of the date of their delivery, shall be in the total principal amount of \$_____ and shall bear interest at the rate of _____ percent (____%) per annum on the unpaid principal. Both principal and interest on the Series 2019B Bonds shall be payable in lawful money of the United States of America to the registered owner of the Series 2019B Bonds at the address of such owner shown on the registration books of the Issuer.

The Series 2019B Bonds are issued on parity with the Issuer's Outstanding Obligations and the Series 2019A Bonds, such that the Series 2019B Bonds are secured by a pledge of the Net Revenues of the Issuer's System, which pledge is on parity with and equal to the pledge on the Outstanding Obligations and the Series 2019A Bonds.

Section 3.2. Advances of Proceeds. On or before fifteen (15) days prior to the first day of each calendar quarter, beginning prior to the payment by the Issuer of costs of construction of the Project, or at such other time as shall be specified by the _____, the Issuer shall provide to the _____ a certificate setting forth a schedule of the costs of the Project which the Issuer estimates will become due and payable by the Issuer prior to the next succeeding calendar quarter and are properly payable with the proceeds of the Series 2019B Bonds. Advances made by the _____ on the basis of such certificates shall be deposited in the Escrow Fund. All such advances shall be in the minimum amount of \$1,000 or any integral multiple thereof. Upon receipt of evidence of deposit of each advance in the Escrow Fund, the Mayor or City Recorder of the Issuer shall give telephonic authorization followed by written confirmation to the _____ to stamp or write the date and amount of such advance made by the _____ and the corresponding "Total Principal Amount" in the appropriate places on the Certificate of Dates of Payment and Amount appearing on the State Bonds. The amount of each advance made by the _____ on the State Bonds shall constitute proceeds of the State Bonds and collectively shall be deemed to constitute the full purchase price of the Series 2019B Bonds and the total amount of the funding advanced by

the _____ shall constitute the Total Principal Amount of the loan as noted on the Certificate of Dates of Payment and Amount appearing on the State Bonds. As advances are made by the _____, the Total Principal Amount shall constitute the total principal amount of the Series 2019B Bonds in the order of maturity of the Series 2019B Bonds.

Section 3.3. Purchase Price. The _____ has committed to purchase the Series 2019B Bonds for a purchase price in the total principal amount of \$_____.

Section 3.4. Date and Maturities. The Series 2019B Bonds shall be dated as of their date of delivery, shall be in the amount of \$1,000 or any multiple thereof, and shall be paid as provided in this Section 3.4. The Series 2019B Bonds shall be initially issued as one Fully Registered State Bond.

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or by redemption, shall be payable upon presentation of the applicable Bond at the offices of the Paying Agent for endorsement or surrender, or of any successor Paying Agent. Payment 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 _____ is the Registered Owner of the State Bond, payments of principal shall be made by check or draft and mailed to the _____ as the Registered Owner at the address shown on the registration books maintained by the City Recorder. So long as the _____ is the Registered Owner of the State Bond, in lieu of presentation or the surrender of the State Bond to the Paying Agent for notations by the Paying Agent of such payments, the _____, by its Chair or his designee, shall endorse such payments upon the State Bond.

The Issuer shall make the principal payments, along with accrued but unpaid interest, if any, stated for each year, until the Total Principal amount shall be paid in full, payable on each February 1 beginning February 1, 20____, as follows:

<u>February 1</u>	<u>Principal Maturing</u>
20____	\$_____
20____	
20____	
20____	
20____	
20____	
20____	
20____	
20____	
20____	
20____	

February 1

Principal Maturing

20__

\$ _____

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

In the event the Series 2019 Bonds are not issued during the calendar year 2019, then the series of bonds shall be denominated to show the year in which the Bonds are issued.

In the event the bid from the lowest responsible bidder on the Project shows that the costs of the Project will exceed the amount of loan commitments the Issuer has already obtained, then, as authorized in Section 11-14-302 of the Act, the Issuer hereby authorizes the Mayor, City Recorder and Council member _____, as a pricing committee, to approve a final principal amount and repayment schedule for the Series 2019 Bonds within the parameters set forth in the Notice of Public Hearing and Bonds to Be Issued published once each week for two consecutive weeks with the first publication being at least 14 days before this resolution and also posted on the Utah Public Notice Website at least 14 days before this resolution, which parameters are in the aggregate principal amount of not to exceed \$_____, to bear interest at a rate or rates not to exceed _____ percent (____%) per annum, to mature in not more than _____ (____) years from their date or dates, and to be sold at a price not less than 99% of the total principal amount thereof and all other terms of the Series 2019 Bonds, and to approve and execute all documents related to the issuance of the Series 2019 Bonds. The City Recorder is authorized to attest such signatures and apply the City seal as appropriate.

Section 3.5. Redemption and Redemption Prices.

Optional Redemption. Each principal payment of the Series 2019B Bond is subject to prepayment and 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, and by lot selected by the Issuer if less than all of the State Bonds of a particular due date are

to be redeemed, upon notice as provided in Section 3.6 hereof with respect to Exchange Bonds, and upon at least thirty (30) days' prior written notice of the amount of prepayment and the date scheduled for prepayment to the _____ with respect to the State Bonds, and at a redemption price equal to 100% of the principal amount to be prepaid or redeemed, to the date of redemption.

Section 3.6. Notice of Redemption for Exchange Bonds.

(a) In the event any of the Exchange Bonds are to be redeemed, the Registrar shall cause notice to be given as provided in this Section 3.6. Notice of such redemption shall be mailed by first class mail, postage prepaid, to all Registered Owners of Exchange Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar at least thirty (30) days but not more than forty-five (45) days prior to the date fixed for redemption. Such notice shall state the following information:

(i) the complete official name of the Exchange Bonds, including series, to be redeemed, the identification numbers of the Exchange Bonds being redeemed;

(ii) any other descriptive information needed to identify accurately the Exchange Bonds being redeemed, including, but not limited to, the original issue date of such Exchange Bonds;

(iii) in the case of partial redemption of any Exchange 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 Exchange Bond or portion thereof called for redemption; and

(vii) the place where such Exchange Bonds are to be surrendered for payment of the redemption price, designating the name and address of the redemption agent with the name of a contact person and telephone number.

(b) Upon the payment of the redemption price of Exchange Bonds being redeemed, each check or other transfer of funds issued for such purpose shall identify the Exchange Bonds being redeemed with the proceeds of such check or other transfer.

(c) The Registrar shall not give notice of such a redemption until there are on deposit with the Paying Agent sufficient funds for the payment of the redemption price.

Notice of redemption shall be given, not more than forty-five (45) days nor less than thirty (30) days prior to the redemption date, to Registered Owners of the Exchange Bonds, or portions thereof, to be redeemed. A second notice of redemption shall be given, not later than ninety (90) days subsequent to the redemption date, to Registered Owners of Exchange Bonds or portions thereof redeemed but who failed to deliver Series 2019B Bonds for redemption prior to the 60th day following such redemption date. Any notice mailed shall be conclusively presumed to have been duly given, whether or not the Registered Owner of such Series 2019B Bonds receives the notice. Receipt of such notice, shall not be a condition precedent to such redemption, and failure so to receive any such notice by any of such Registered Owners shall not affect the validity of the proceedings for the redemption of the Series 2019B Bonds.

In case any Exchange Bond is to be redeemed in part only, the notice of redemption which relates to such Exchange Bond shall state also that on or after the redemption date, upon surrender of such Series 2019B Bond, a new Series 2019B Bond in principal amount equal to the unredeemed portion of such Series 2019B Bond will be issued.

Section 3.7. Execution and Delivery of the Series 2019B Bonds. The Mayor is hereby authorized to execute by manual or facsimile signature the Series 2019B Bonds and the City Recorder to countersign by manual or facsimile signature the Series 2019B Bonds and to have imprinted or otherwise placed on the Series 2019B Bonds the official seal of the Issuer. The City Recorder is hereby authorized to deliver to the _____ the Series 2019B Bonds upon payment to the Issuer of the proceeds thereof.

Section 3.8. Delinquent Payment. Payments on the Series 2019B Bonds which are delinquent from the due date thereof shall draw interest at the rate of eighteen percent (18%) per annum on the delinquent payment from said due date until paid in full.

Section 3.9. Exchange of State Bonds. As long as the _____ is the sole Registered Owner of the Series 2019B Bonds, the Series 2019B Bonds shall be issued only as the State Bonds in the form prescribed in Exhibit B-1. It is recognized that the _____ may sell or otherwise transfer the Series 2019B Bonds pursuant to the provisions of the State Financing Consolidation Act, Title 63, Chapter 65, Utah Code Annotated 1953, as amended, or otherwise. In the event the _____ determines to sell or otherwise transfer all or a portion of the Series 2019B Bonds pursuant to the State Financing Consolidation Act, or otherwise, the State Bonds shall be exchanged at the office of the Paying Agent for a like aggregate principal amount of Exchange Bonds in accordance with the provisions of this Section 3.9 and Section 4.1 hereof. Exchange Bonds may thereafter be exchanged from time to time for other Exchange Bonds in accordance with Section 4.1 hereof. Any Series 2019B Bond, or any portion thereof, which is sold or otherwise transferred or liquidated by the

_____ pursuant to the State Financing Consolidation Act, or otherwise, shall be in the form of an Exchange Bond prescribed in Exhibit B-2, and shall be executed pursuant to authorization contained in Section 3.7 hereof. Each principal payment on the State Bonds not previously paid or canceled 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 Bonds for Exchange Bonds, provided that the _____ 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 IV

REGISTRATION, PAYMENT, AND FLOW OF FUNDS

Section 4.1 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 4.2 Deposit of Bond Proceeds. The proceeds from the sale of the Series 2019A Bonds and the 2019B Bonds shall be deposited upon delivery in the Escrow Account and shall be disbursed pursuant to the provisions of the Escrow Agreement. All monies deposited in the Escrow Account shall be used solely for the purpose of defraying all or a portion of the costs of the Project including the payment of costs of issuance of the Series 2019A Bonds and the Series 2019B Bonds. Any unexpended loan funds from the Series 2019A Bonds and the Series 2019B Bonds remaining in the Escrow Account after completion of the Project shall be paid immediately into the “Millville City Water & Sewer Revenue Bond Sinking Fund”, hereinafter referred to herein as the “Sinking Fund” previously established and reaffirmed hereunder, and shall be used only for the prepayment of the Issuer’s Series 2019 Bonds. Principal last to become due shall be prepaid first, and in the event less than all of the principal amount of the Bonds maturing on the last due date are to be redeemed, the Issuer shall by lot select those Bonds to be prepaid. Proceeds on deposit in the Escrow Account, may at the discretion of the Issuer, be invested by the Escrow Agent as provided in the Escrow Agreement. Following the transfer of unexpended funds from the Escrow Account to the Sinking Fund, the Escrow Account will be closed.

Section 4.3 The Series 2019 Bonds Constitute Special Limited Obligations. Notwithstanding anything in this Master Resolution elsewhere contained, the principal and interest, if any, on the Series 2019 Bonds shall be payable out of 100% of the Net Revenues which are hereby pledged for repayment of the Series 2019 Bonds, 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 4.4 Flow of Funds. From and after the earlier of the delivery date of the Series 2019 Bonds, and until all the Series 2019 Bonds have been fully paid, the Revenues shall be set aside into the Millville City Water and Sewer Revenue Fund referred to herein as “Revenue Fund”, established previously and reaffirmed hereunder, to be held by the Depository Bank. The Issuer will thereafter make accounting allocations of the funds deposited in said Revenue Fund 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. For this purpose the Issuer shall establish 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 portion of the Revenue Account as is estimated to be required for Operation and Maintenance Expenses of the System for the following month. 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. At the end of each Sinking Fund Year all amounts in the Expense Account in excess of that required to pay Operation and Maintenance Expenses then due shall be transferred to the Sinking Fund as hereinafter provided.

(b) All amounts in the Revenue Fund not allocated to the Expense Account (the “Net Revenues”) shall be allocated next to the Sinking Fund as follows:

(i) Of the amounts allocated to the Sinking Fund there shall be allocated the following amounts to a subaccount established on the books of the Issuer known as the “Bond Account” such amounts as will assure, to the extent of the availability of Net Revenues from the System, the prompt payment of the principal and interest, if any, on the Series 2019 Bonds as shall become due and all bonds or obligations issued in parity therewith, including the Outstanding Obligations. (A) The amount to be set aside monthly on or before the tenth day of each month with respect to the Outstanding Obligations is set forth in the documents authorizing those obligations. (B) The amount to be so set aside with respect to the Series 2019 Bonds shall, as nearly as may be practicable, be set aside and allocated to the Bond Account monthly, on or before the tenth day of each month, beginning February 10, 20__, and shall equal $\frac{1}{12}$ of the amount of the principal and interest, if any, on the payment next due on the Series 2019 Bonds (in the event of the first year the amount shall equal the fraction the numerator of which is one and the denominator of which is the number of whole months from the date of delivery until the first principal payment date), to the end that there will be sufficient funds allocated to the Bond Account to pay the principal and interest, if any, on the Series 2019 Bonds as and when the same become due. (In the event insufficient moneys are available to make prompt payment of the full principal and interest, if any, on the Series 2019 Bonds as shall become due and all Outstanding Obligations, such moneys shall be allocated pro rata based on the amount of principal next coming due on each Bond.) Amounts allocated to the Bond Account shall be used solely for the purpose of paying principal and interest, if any, on the Outstanding Obligations and Series 2019 Bonds and shall not be reallocated, transferred or paid out for any other purpose; and

(ii) Of the amounts allocated to the Sinking Fund after there shall have been allocated the amounts required to be allocated under (i) above, there shall be allocated monthly on a parity basis (1) those amounts, if any, as shall be required for the Outstanding Obligations to be deposited in a reserve account; and (2) on or before the tenth day of each month, beginning February 10, 20__ to the “Reserve Accounts – Series 2019 Bonds” established on the books of the Issuer the Reserve Fund Installments for the Series 2019 Bonds, respectively, plus such additional amount as may be required to meet any monthly installment to the Reserve Accounts – Series 2019 Bonds not theretofore made in whole or in part, such allocation shall

continue until there shall have been accumulated an amount equal to the Reserve Fund Requirement with respect to each of the Series 2019 Bonds. (In the event insufficient moneys are available to make full allocation to each reserve account, such moneys shall be allocated pro rata to the monthly allocation requirement of each such reserve fund.) Amounts allocated to the Reserve Accounts shall be used to pay the principal and interest, if any, falling due on the respective Outstanding Obligations and Series 2019 Bonds at any time when there are not sufficient funds in the Bond Account to pay the same, but pending such use may be invested as hereafter provided. When the Reserve Accounts have been accumulated as in this paragraph provided, no further allocations to the Reserve Accounts need be made unless payments from the Reserve Account have reduced the same below the amounts required by this paragraph, in which event allocations shall be resumed until such deficiency has been remedied; and

(iii) Monthly on the tenth day of each month beginning February 10, 20__ for the life of the Series 2019 Bonds, the Issuer shall set aside the amount of \$__ to the "Emergency Repair and Replacement Account" established on the books of the Issuer until the Issuer accumulates an amount of \$_____. To the extent the amount in the said account shall be less than \$_____, the Issuer shall allocate monthly monies from the Sinking Fund until there shall have been accumulated in the Emergency Repair and Replacement Account an amount equal to \$_____. Funds on deposit in the Emergency Repair and Replacement Account shall be used solely for emergency repairs and replacements to the System as the need arises.

(iv) For the life of the Series 2019 Bonds, from Net Revenues which remain after the foregoing deposits and allocations have been made, the Issuer shall fully fund depreciation on the Project facilities by depositing annually, not later than 90 days after the close of the Issuer's fiscal year, into a separate "Depreciation Reserve Account" to be held by the Issuer an amount equal to the amount necessary to fully fund depreciation on the Project facilities for the fiscal year in which the annual deposits are being made. If, at the completion of any fiscal year, the Issuer determines that the Issuer is unable to fully fund depreciation on the Project facilities from available Net Revenues, the Issuer must, within 60 days, adjust monthly water and sewer fees charged for System services so that the total annual water and sewer fees charged for System services will equal not less than 1.4% of the Median Adjusted Gross Income ("MAGI") for residents of the Issuer, using the most recent information then available from the Utah State Tax Commission. The Depreciation Reserve Account is not intended to fund nor required to fund debt service payments on any of the Series 2019 Bonds, but is only to be used to fund water and sewer related expenses for the Issuer's System, as the need arises, including short lived capital assets.

(v) All remaining funds, if any, in the Sinking Fund after all of the payments required to be made into the Bond Account and Reserve Account and Emergency Repair and Replacement Account, and Depreciation Reserve Fund have been made, may be used by the Issuer (a) to prepay or redeem the Series 2019 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.

(c) 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 4.5 Investment of Funds. Any funds allocated to the Bond Account, Emergency Repair and Replacement Account, the Reserve Account Series 2019, and the Depreciation Reserve Fund may, at the discretion of the Issuer, be invested in accordance with the State Money Management Act. All income derived from the investment of the funds of the Bond Account, Emergency Repair and Replacement Account, and Depreciation Reserve Fund shall be maintained in said fund and disbursed along with the other moneys on deposit therein as herein provided. All income derived from the investment of the Reserve Account Series 2019 shall at the end of each Sinking Fund Year be transferred by the Issuer to the Bond Account so long as the Reserve Account Series 2019 after said transfer have funds equaling the Reserve Fund Requirements. Should the Reserve Account Series 2019 have less than the Reserve Fund Requirements, then said income shall be maintained in the Reserve Account Series 2019, until total deposits equals the Reserve Fund Requirements. There shall not be required to be in the Bond Account and the Reserve Account Series 2019 at any time more than the total amount required to pay the total principal outstanding of the Series 2019 Bonds. Whenever the money in the Bond Account and the Reserve Account Series 2019 equals the total principal amount of the Series 2019 Bonds outstanding, the money in said Accounts shall be used to prepay all of such Bonds.

ARTICLE VI

COVENANTS

Section 6.1. Covenants of Issuer. The Issuer hereby covenants and agrees with each and every holder of the Series 2019 Bonds the following:

(a) The rates for all water and sewer service supplied by the System to the Issuer and its inhabitants and to all customers within or without the boundaries of the Issuer shall be sufficient for the retirement and/or redemption of the Bonds, provided such rates must be reasonable rates for the type, kind, and character of the service rendered. There shall be no free service and there shall be charged against all users of the System, including the Issuer, such rates and amounts as shall be adequate to meet the debt service payments on the Bonds, the Outstanding Obligations, and any Parity Bonds (as defined in 6.2) when due, and to make available for purposes having priority junior to the Sinking Fund in the application of the Net Revenues in each Sinking Fund Year, at least twenty-five percent (25%) of the Annual Debt Service for each such year. All Net Revenues, including those received from the Issuer, shall be subject to distribution for the payment of the cost of operating and maintaining the System, and the payment of the Bonds, as hereinabove provided. In addition to the foregoing, the Issuer covenants that as long as any of the Series 2019 Bonds are outstanding it will fully fund depreciation of the Project facilities by depositing funds annually (each fiscal year) into the "Depreciation Reserve Fund" or, if it is unable to fully maintain the "Depreciation Reserve Fund" it will annually adjust rates for sewer service up to the maximum affordable limit, which is not less than 1.4% of the MAGI for the Issuer, using the most recent information available from the Utah State Tax Commission, so that the rates for sewer service shall be the higher of at least 1.25 times the annual Net Revenues, or 1.4% of MAGI, whichever is greater.

(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 Master Resolution.

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

(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 one hundred eighty (180) days following the close of each Sinking Fund 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 Bondholder; provided, however, during such periods of time as the _____ is the Registered Owner of the Series 2019A Bonds or the _____ is the Registered Owner of the Series 2019B Bonds, each such audit will be supplied to the _____ and/or _____, respectively, as soon as completed without prior request therefor by the _____ or _____. Each such audit, in addition to whatever matters may be thought proper by the accountant to be included therein, shall include the following:

- (i) A statement in detail of the income and expenditures of the System for such Sinking Fund Year;
- (ii) A balance sheet as of the end of such Sinking Fund Year;
- (iii) 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 improvement in the operation of the System;
- (iv) A list of the insurance policies in force at the end of the Sinking Fund Year, setting out as to each policy, the amount of the policy, the risks covered, the name of the insurer, and the expiration date of the policy;
- (v) An analysis of all funds and accounts created in this Master Resolution, setting out all deposits and disbursements made during the Sinking Fund Year and the amount in each fund or account at the end of the Sinking Fund Year;
- (vi) The number of sewer connections within the boundaries or service area of the Issuer, and applications for sewer service on hand at the end of the Sinking Fund Year;
- (vii) The total billings for such Sinking Fund Year;
- (viii) All schedules of rates and charges imposed for sewer service during the Sinking Fund Year.

The Bondholder may, upon written request from the Issuer setting forth the reasons why a certified audit is not necessary or is impractical, waive the audit requirements for any particular Sinking Fund Year set forth in this Subsection 5.1.(d), provided, however, that such waiver shall not apply to the reporting requirements of the Issuer set forth in Subsection 6.1.(e) herein.

(e) In addition to the reporting requirements set forth in Subsection 6.1.(d) above, the Issuer shall submit to the _____ within one hundred eighty (180) days following the close of each Sinking Fund Year, a summary report substantially in the form as provided by the _____ to the Issuer upon purchase of the Series 2019A Bonds.

All expenses incurred in compiling the information required by this section shall be regarded and paid as an Operation and Maintenance Expense. If a Bondholder is other than the _____ or _____, the Issuer agrees to furnish a copy of such information to such Bondholder at its request after the close of each Sinking Fund 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) A 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 other 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, insurance proceeds shall be used first for the purpose of restoring or replacing the property lost or damaged. Any remainder shall be paid into the Sinking Fund.

(h) The Issuer will not 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 Bonds have been paid in full, except that the Issuer may sell any portion of said property which 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, provided, however, that in the event of any sale as aforesaid, the proceeds of such sale shall be paid into the Sinking Fund.

(i) The Issuer may consolidate the bills submitted for sewer service with those submitted for water service, if applicable, for those persons who are liable for the payment of charges for such services and require that each such consolidated bill be paid in full as a unit, and refuse to permit payment of one portion without payment of the remainder. Any bill not paid within thirty (30) days from the date it is mailed to the customer shall be deemed delinquent. The Issuer hereby agrees that if any sewer bill remains delinquent for more than sixty (60) days, it will initiate proceedings to cause all water service to the sewer user concerned to be cut off immediately.

(j) The Issuer shall commence and complete the acquisition and construction of the Project with all practical dispatch and will cause all construction to be effected in a sound and economical manner.

(k) 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 or any part thereof or upon the Revenues, 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.

(l) The Issuer will not grant a franchise for the operation of any competing water and sewer system within its corporate limits, as long as the Series 2019 Bonds authorized herein remain outstanding.

(m) The Issuer, in order to assure the efficient management and operation of the System and to assure the Bondholders from time to time that the System will be operated on sound business principles, will employ competent and experienced management for the System, will use its best efforts to see that the System is at all times operated and maintained in first-class repair and condition and in such manner that the operating efficiency thereof shall be of the highest character, and will use its best efforts to see that Operation and Maintenance Expenses are at no time in excess of the Revenues reasonably available for the payment thereof.

(n) All payments falling due on the Series 2019 Bonds shall be made to the Bondholders thereof and all charges made by the Depository Bank for its services shall be paid by the Issuer.

(o) The Issuer will maintain its corporate identity, will make no attempt to cause its corporate existence to be abolished and will resist all attempts by other municipal corporations to annex all or any part of the territory now or hereafter in the Issuer or served by the System.

(p) 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 _____. 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 Utah Local Government Bonding Act, the Utah Money Management Act, the Utah Procurement Code and the State of Utah Legal Compliance Audit Guide.

(q) Notwithstanding any other provision of law and in a manner consistent with other provisions of the Davis-Bacon Act, the Issuer agrees that all laborers and mechanics employed by contractors and subcontractors on projects

funded directly by or assisted in whole, or in part, through the Federal Government pursuant to such Act shall be paid wages at rates not less than those prevailing on project of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of Title 40, United States Code. With respect to the labor standards specified in this section, the Secretary of Labor shall have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267; 5 U.S.C. App.) and section 3145 of title 40, United States Code.

(r) Qualified Tax-Exempt Obligation Status. For purposes of and in accordance with Section 265(b)(3) of the Code, the Issuer hereby designates the Series 2019 Bonds to be “qualified tax-exempt obligations” and in support of such designation, the Mayor or an Authorized Officer of the Issuer shall provide an appropriate certificate of the Issuer as of the date of delivery and payment for the Series 2019B and 2013C Bonds.

(s) Exemption from Rebate for Small Issuer. In accordance with Section 148 (f)(4)(B) of the Code, the Issuer covenants that it is a governmental unit with general taxing powers; that the Series 2019 Bonds are not “private activity bonds” as defined in Section 141 of the Code; that ninety-five percent (95%) or more of the net proceeds of the Series 2019 Bonds are to be used for local governmental activities of the Issuer; and that the aggregate face amount of all tax-exempt obligations (other than “private activity bonds”) issued by the Issuer and all entities that issue obligations on behalf of the Issuer, derive their issuing authority from the Issuer or are subject to substantial control by the Issuer, during the calendar year 2019 will not exceed \$5,000,000. If for any reason the Issuer does not qualify for an exception to rebate under Section 148 (f) of the Code, the Issuer covenants that it will take all necessary steps to comply with the rebate requirements of the Code.

(t) Compliance with IRS Section 148. The Issuer covenants and agrees to and for the benefit of the Bondholders of the Series 2019 Bonds that no use will be made of any of the proceeds from the sale of the Series 2019 Bonds, or any funds or accounts of the Issuer which may be deemed to be proceeds of the Series 2019 Bonds pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, (the “Code”) and applicable regulations promulgated thereunder (the “Regulations”) which use, if it had been reasonably expected on the date of issuance of the Series 2019 Bonds, would have caused the Series 2019 Bonds to be classified as “arbitrage bonds” within the meaning of Section 148 of the Code. Pursuant to this covenant, the Issuer obligates itself to comply throughout the term of the Series 2019 Bonds with the requirements of Section 148 of the Code and the regulations proposed or promulgated there under. The Issuer further covenants and agrees to and for the benefit of the Registered Owners of the Series 2019 Bonds that the Issuer (i) will not take any action that would cause interest on the Series 2019 Bonds to become includible in gross income for purposes of federal income taxation, (ii) will not omit to take any action, which omission would cause the interest on the Series 2019 Bonds to become includible in gross income for purposes of federal income taxation and (iii) will take all reasonable and lawful actions to comply with any other

requirements of federal tax law applicable to the Series 2019 Bonds, including any new tax laws, in order to preserve the exclusion from gross income for purposes of federal income taxation of the interest on the Series 2019 Bonds.

(u) Filing IRS Form 8038-G. The Issuer will file or cause to be filed with the Internal Revenue Service Center, Ogden, UT 84201, on or before the fifteenth day of the second calendar month after the close of the calendar quarter in which the Series 2019 Bonds are issued, a Form 8038-G, Information Return for Tax-Exempt Governmental Bond Issues, with respect to the Series 2019 Bonds, respectively.

Section 6.2. Additional Indebtedness. 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 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 authorized to be issued pursuant to this Master Resolution regardless of the fact that they may be actually issued and delivered at different times. It is expressly agreed and covenanted that 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 two exceptions:

(1) The Series 2019 Bonds or any part thereof may be refunded. 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. Refunding bonds may be exchanged with the consent of the Bondholder for not less than a like principal amount of the Series 2019 Bonds authorized to be refunded, may be sold or may be exchanged in part or sold in part. If sold, the proceeds of the sale not required for the payment of expenses shall be used to refund that portion of the Series 2019 Bonds refunded.

(2) Additional 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 (herein referred to as “Parity Bonds”):

(a) The Net Revenues of the System in the Sinking Fund Year preceding the year in which the Parity Bonds are to be issued were 125% of the average Annual Debt Service on all of the Bonds and Parity Bonds then outstanding and the Parity Bonds so proposed to be issued with an allowance for earnings arising from any increase in sewer rates which have become effective prior to incurring the additional indebtedness in an amount equal to 95% of the amount by which the billings to customers for such Sinking Fund Year would have been increased, if such increase in rates had been in effect during the Sinking Fund year; provided, this limitation may be waived or modified by the written consent of the registered owners and holders of 75% of the principal amount of the Bonds and Parity Bonds then outstanding.

(b) All payments required by this Master Resolution to be made into the Sinking Fund must have been made in full and there must be in each reserve fund the full amount required by this Master Resolution to be accumulated therein.

(c) The Parity Bonds must be payable as to principal on February 1 of each year in which principal falls due.

(d) The proceedings authorizing such Parity Bonds must raise the amount to which the reserve funds shall be accumulated to an amount no less than the highest future Annual Debt Service of all Bonds and Parity Bonds then outstanding and the Parity Bonds so proposed to be issued and must require the accumulation of such amount in the Reserve Account to be accomplished within six (6) years after delivery of such Parity Bonds.

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

ARTICLE VII

MISCELLANEOUS

Section 7.1. Default and Remedies. Failure of the Issuer to perform any covenant or requirement of the Issuer under this Master Resolution within thirty (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 Bondholder may require the Issuer to pay an interest penalty equal to eighteen percent (18%) per annum of the outstanding principal amount on the Series 2019 Bonds, said interest penalty to accrue from the date of the notice of the Bondholder to the Issuer referenced hereinabove until the default is cured by the Issuer. Said interest penalty shall be paid on each succeeding payment date 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 said Revenues toward the Revenue allocations required in Section 4.4 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 7.2. Amendments to Master Resolution. Provisions of this Master 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 Master 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 Master Resolution in the manner and to the extent set out below.

Whenever the Issuer shall propose to amend or modify this Master 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 briefly 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 Master 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 governing body of the Issuer may adopt said amendatory resolution, and it shall become effective, provided, however, that nothing in this Section 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, if any, without the consent of the Bondholder of all the 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 7.3. Maintenance of Proceedings. A certified copy of this Master 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 Master 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 Master 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 authorized herein or to meet any obligation contained herein concerning the Series 2019 Bonds.

Section 7.4. Defeasance of Series 2019A 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 2019A Bonds for the payments due or to become due thereon at the times and in the manner stipulated therein, then the first lien pledge of the Net Revenues under this Master 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 2019A Bonds) shall be canceled and discharged.

Any Series 2019A Bond shall be deemed to be paid within the meaning of this section when payment of the Series 2019A Bonds (whether such due date be by reason of maturity or upon prepayment or redemption as provided herein) shall have been made in accordance with the terms thereof. At such time as the Series 2019A 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 2019A Bonds).

Pursuant to Sections 3.9 and 4.9 of this Master Resolution the Series 2019 Bonds, respectively, may not be defeased.

Section 7.5. Sale of Series 2019A Bonds Approved. The sale of the Series 2019A Bonds to the _____ is hereby ratified, confirmed and approved.

Section 7.6. Sale of Series 2019B Bonds Approved. The sale of the Series 2019B Bonds to the _____ is hereby ratified, confirmed and approved.

Section 7.7. Bondholders not Responsible. The Bondholders shall not be responsible for any liabilities incurred by the Issuer in the acquisition or construction of the Project or for the failure of the System to function successfully after completion of the Project.

Section 7.8. Notice of Public Hearing and Bonds to be Issued. In accordance with the provisions of the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, the Issuer has designated the The Herald Journal, as the official newspaper of the Issuer authorized to publish legal notices for the Issuer, and in accordance with the Act, the City Recorder has caused a “Notice of Public Hearing Bonds to be Issued” to be (1) published once each week for two consecutive weeks in a newspaper of general circulation in the Issuer, and (2) posted on the Utah Public Notice Website at least 14 days before the public hearing held on September 26, 2019, and (3) has caused a copy of a Parameters Resolution (with all exhibits attached) to be kept on file in the office of the City Recorder of the Issuer for public examination during regular business hours for at least thirty (30) days from and after the last publication thereof.

Section 7.9. Additional Certificates, Documents, and Other Papers. The appropriate officials of the Issuer, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the Issuer any or all additional certificates, documents, and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Master Resolution and the documents authorized and approved herein.

Section 7.10. Severability. If any section, paragraph, clause or provision of this Master 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 Master Resolution.

It is hereby declared by the governing body of the Issuer that it is the intention of the Issuer by the adoption of this Master Resolution to comply in all respects with the provisions of the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated, 1953, as amended and that the Series 2019 Bonds shall be incontestable after issuance.

Section 7.11. Resolutions in Conflict. All resolutions or parts thereof in conflict with the provisions of this Master Resolution are, to the extent of such conflict, hereby repealed.

ADOPTED BY THE PRICING COMMITTEE AND REPORTED TO THE
CITY COUNCIL THIS _____, 20__.

Mayor

ATTEST:

City Recorder

(S E A L)

EXHIBIT A-1

FORM OF STATE BONDS

UNITED STATES OF AMERICA
STATE OF UTAH
COUNTY OF CACHE
MILLVILLE CITY
WATER AND SEWER REVENUE BOND
SERIES 2019A

\$ _____

THIS BOND HAS BEEN DESIGNATED BY THE ISSUER FOR PURPOSES OF THE EXCEPTION CONTAINED IN SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986 RELATING TO THE DEDUCTIBILITY OF A FINANCIAL INSTITUTION'S INTEREST EXPENSE ALLOCABLE TO TAX-EXEMPT INTEREST.

Millville City, Cache County, 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 _____ (the "_____") or registered assigns last noted in the Registration Certificate attached to the end of this Bond (the "Registered Owner"), the Total Principal Amount set forth in the "Certificate of Dates of Payment and Amount" attached hereto at the end of this Bond and more fully described below, but in no event more than \$ _____ bearing interest at the rate of _____ percent (____%) per annum, payable on February 1 of each year, with payment of principal and interest, if any, beginning on February 1, 20____, in registered installments on February 1 of each of the years as set forth in the following Repayment Schedule:

February 1

20____
20____
20____
20____
20____
20____
20____
20____
20____
20____
20____
20____
20____

Principal Maturing

\$ _____

February 1

Principal Maturing

20__

\$ _____

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

20__

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or by redemption, shall be payable upon surrender of this Bond at the offices of the Paying Agent, or of any successor Paying Agent. 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 _____ is the registered holder of this Bond, installment payments of principal and interest, if any, shall be made by check or draft mailed to the _____ 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 eighteen percent (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.

This Bond is payable solely from a special fund designated "Millville City Water and Sewer Revenue Bond Sinking Fund," into which fund and into a reserve therefor, to the extent necessary to assure prompt payment of this Bond, shall be pledged 100% of the Net Revenues (as defined in the Master Resolution herein described) derived and to be derived from the operation of the Issuer's water and sewer system (the "System"), all as more fully described and provided in the Master Resolution adopted by the Pricing Committee of the Issuer on _____, 20__ (the "Master Resolution"), which Pricing Committee and

Master Resolution were authorized by the Authorizing Resolution adopted by the governing body of the Issuer on September 26, 2019 (the “Authorizing Resolution”).

This Bond is issued pursuant to (i) the Master Resolution and Authorizing Resolution, and (ii) the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated, 1953, as amended, for the purpose of financing, in part, the (i) water and sewer system improvements, and related improvements, and (ii) paying the costs of issuing the Bonds. This Bond is a special limited obligation of the Issuer payable solely from the Net Revenues (as defined in the Master Resolution) of the System and does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Net Revenues of the System. After issuance this Bond shall be incontestable.

The Series 2019A Bonds are issued on parity with the Issuer's Outstanding Obligations (as defined in the Master Resolution) and its Series 2019B Bonds, such that the Series 2019A Bonds are secured by a pledge of the Net Revenues of the Issuer's System, which pledge is on parity with and equal to the pledge of the Outstanding Obligations and the Series 2019B Bonds.

As provided in the Master 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 Master 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 Master 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 Master Resolution.

The issuance of this Bond shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for its payment.

This Bond is subject to prepayment and 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 and by lot selected by the Issuer if less than all Bonds of a particular due date are to be redeemed, upon notice given as hereinafter set forth, at a redemption price equal to the principal amount to be so prepaid.

Notice of redemption shall be mailed by the Issuer, postage prepaid, not less than thirty (30) days prior to the date fixed for prepayment, to the registered owner of this Bond addressed to such owner at its address appearing on the registration books maintained by the Issuer.

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

The Issuer covenants and agrees that it will fix rates for water and sewer service sufficient to pay when due this Bond, and the principal and interest on all bonds issued on a priority to or parity with this Bond, if any, as the same fall due, provided such rates must be reasonable rates for the type, kind and character of the service rendered, and will collect and account for the Revenues (as defined in the Master Resolution) to be received for such service, and will set aside one hundred percent (100%) of the Net Revenues of the System (as defined in the Master Resolution) to pay this Bond according to the payment terms hereinabove set forth and the principal and interest on all bonds issued on a parity with this Bond, if any.

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 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 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.

It is hereby declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in regular and due time, form and manner as required by law, that the amount of this Bond does not exceed any limitation prescribed by the Constitution or statutes of the State of Utah, that the Net Revenues (as defined in the Master Resolution) to be derived from the operation of the System have been pledged and that an amount therefrom will be set aside into a special fund by the Issuer sufficient for the prompt payment of this Bond and all bonds issued on a parity with this Bond, if any, and that said Net Revenues are not pledged, hypothecated or anticipated in any way other than by the issue of this Bond and all bonds issued on a parity with this Bond, if any.

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 said Issuer this _____, 20__.

/s/ (Do Not Sign)
Mayor

Countersigned:

/s/ (Do Not Sign)
City Recorder

(S E A L)

REGISTRATION CERTIFICATE

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

<u>Date of Registration</u>	<u>Name of Registered Owner</u>	<u>Signature of Bond Registrar</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

CERTIFICATE OF DATES
OF PAYMENT AND AMOUNT

The undersigned authorized representative of the State of _____ (the “_____”) hereby certifies that the _____ has received written authorization from the Mayor or the City Recorder of the Issuer to stamp or write 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 Amount” is the total amount received by the Issuer for the Project, and that the undersigned has placed his/her signature in the space provided opposite such amount(s) to evidence the same.

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

EXHIBIT A-2

FORM OF EXCHANGE BOND

UNITED STATES OF AMERICA
STATE OF UTAH
COUNTY OF CACHE
MILLVILLE CITY
WATER AND SEWER REVENUE BONDS, SERIES 2019A

INTEREST RATE

MATURITY DATE

ISSUE DATE

_____%

February 1, 20__

Registered Owner: _____

Principal Amount: _____ Dollars

Millville City, Cache County, 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 identified above, or registered assigns, on the Maturity Date specified above, upon presentation and surrender thereof, the Principal Amount identified above. Principal and redemption price of this Bond shall be payable upon presentation of this Bond to the City Recorder of the Issuer as Paying Agent, or its successor as such paying agent, for payment at maturity.

If this Bond is not paid when due and payable, the Issuer shall pay interest on the unpaid amount at the rate of eighteen percent (18%) per annum from the due date thereof until paid in full.

This Bond is one of an authorized issue of bonds of like date, term and effect except as to maturity, in the aggregate principal amount of _____ Dollars (\$_____), issued in exchange for the conversion of the Issuer's Water & Sewer Revenue Bond, Series 2019A dated _____, 20__, in the Total Principal Amount of \$_____, authorized by a Master Resolution of the Pricing Committee of the Issuer duly adopted on _____, 20__ (the "Master Resolution") as authorized by the Authorizing Resolution adopted by the governing body of the Issuer on September 26, 2019 (the "Authorizing Resolution"). This Bond and the issue of Bonds of which it is a part is

issued pursuant to (i) the Master Resolution and (ii) the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated, 1953, as amended, for the purpose of financing, in part, the (i) water and sewer system improvements, and related improvements. This Bond is a special limited obligation of the Issuer payable solely from the Net Revenues (as defined in the Master Resolution) of the System and does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Revenues of the System.

The Series 2019A Bonds are issued on parity with the Issuer's Outstanding Obligations (as defined in the Master Resolution) and its Series 2019B Bonds, such that the Series 2019A Bonds are secured by a pledge of the Net Revenues of the Issuer's System, which pledge is on parity with and equal to the pledge of the Outstanding Obligations and Series 2019B Bonds.

As provided in the Master 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 Master 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 Master 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 Master Resolution.

The issuance of this Bond shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for its payment.

Optional Redemption. The Bonds are subject to redemption prior to maturity 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 maturity and by lot within each maturity if less than the full amount is redeemed, upon not less than thirty (30) days' nor more than forty-five (45) days' prior notice, at a redemption price equal to 100% of the principal amount of each Bond to be redeemed. Notice of redemption shall be mailed by the Issuer, postage prepaid, to the registered owners of said Bonds addressed to such owners at their address appearing on the registration books maintained by the Issuer.

Subject to the provisions of the Master Resolution, the Series 2019A Bonds (as defined in the Master Resolution) are issuable in fully registered form, without coupons, in denomination equal to the principal amount of the bonds or, upon exchange, in the denomination of \$1,000 or any integral multiple thereof.

The Issuer covenants and agrees that it will fix rates for water and sewer service sufficient to pay this Bond when due and principal on all bonds issued on a priority to or parity with this Bond, if any, as the same fall due, provided such rates must be reasonable rates for the type, kind and character of the service rendered, and will collect and account for

the Revenues (as defined in the Master Resolution) to be received for such service, and will set aside one hundred percent (100%) of the Net Revenues of the System (as defined in the Master Resolution) to pay this Bond according to the payment terms hereinabove set forth and the principal and interest on all bonds issued on a parity with this Bond, if any.

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 Registered 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 by the registered holder hereof in person or by his attorney duly authorized in writing at the office of the City Recorder (the "Registrar") in Millville City, Utah, but only in the manner, subject to the limitations and upon payment of the charges provided in the Master Resolution and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

It is hereby certified, recited and declared that all conditions, acts and things essential to the validity of this Bond and the issue of which it forms a part do exist, have happened and have been done, and that every requirement of law affecting the issue hereof has been duly complied with; that this Bond and the issue of which it forms a part does not exceed any limitation prescribed by the Constitution and laws of the State of Utah; that one hundred percent (100%) of the Net Revenues to be derived from the operation of the System, including any future improvements, additions and extensions thereto, have been pledged and will be set aside into said special fund by the Issuer to be used for the payment of this Bond and the issue of which it forms a part and all bonds issued on a parity with this Bond, if any, and that said Net Revenues of the System are not pledged, hypothecated or anticipated in any way other than by the issue of Series 2019 Bonds of which this Bond is one and all bonds issued on a parity with this Bond, if any.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by its Mayor and countersigned by its City Recorder with the seal of said Issuer affixed, all as of the ____ day of _____, 20__.

By /s/ _____ (Do Not Sign)
Mayor

COUNTERSIGNED:

/s/ _____ (Do Not Sign)
City Recorder

(S E A L)

ASSIGNMENT

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

_____ (Tax Identification or Social Security No. _____) the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

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

Signature Guaranteed:

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO SEC RULE 17Ad-15.

EXHIBIT B-1

FORM OF STATE BONDS

UNITED STATES OF AMERICA
STATE OF UTAH
COUNTY OF CACHE
MILLVILLE CITY
WATER AND SEWER REVENUE BOND
SERIES 2019B

THIS BOND HAS BEEN DESIGNATED BY THE ISSUER FOR PURPOSES OF THE EXCEPTION CONTAINED IN SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986 RELATING TO THE DEDUCTIBILITY OF A FINANCIAL INSTITUTION'S INTEREST EXPENSE ALLOCABLE TO TAX-EXEMPT INTEREST.

\$ _____

Millville City, Cache County, 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 _____ (the "_____") or registered assigns last noted in the Registration Certificate attached to the end of this Bond (the "Registered Owner"), the Total Principal Amount set forth in the "Certificate of Dates of Payment and Amount" attached hereto at the end of this Bond and more fully described below, but in no event more than \$ _____ bearing interest at the rate of _____ percent (___%) per annum, payable on February 1 of each year, with payment of principal and interest, if any, beginning on February 1, 20__, in registered installments on February 1 of each of the years as set forth in the following Repayment Schedule:

<u>February 1</u>	<u>Principal Maturing</u>
20__	\$ _____
20__	
20__	
20__	
20__	
20__	
20__	
20__	
20__	
20__	
20__	
20__	
20__	
20__	
20__	\$ _____

February 1

Principal Maturing

20__
20__
20__
20__
20__
20__
20__
20__
20__
20__
20__
20__
20__
20__
20__
20__
20__
20__
20__

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or by redemption, shall be payable upon surrender of this Bond at the offices of the Paying Agent, or of any successor Paying Agent. 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 _____ is the registered holder of this Bond, installment payments of principal and interest, if any, shall be made by check or draft mailed to the _____ 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 eighteen percent (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.

This Bond is payable solely from a special fund designated "Millville City Water and Sewer Revenue Bond Sinking Fund," into which fund and into a reserve therefor, to the extent necessary to assure prompt payment of this Bond, shall be pledged 100% of the Net Revenues (as defined in the Master Resolution herein described) derived and to be derived from the operation of the Issuer's water and sewer system (the "System"), all as more fully described and provided in the Master Resolution adopted by the Pricing Committee of the Issuer on _____, 20__ (the "Master Resolution"), which Pricing Committee and

Master Resolution were authorized by the Authorizing Resolution adopted by the governing body of the Issuer on September 26, 2019 (the “Authorizing Resolution”).

This Bond is issued pursuant to (i) the Master Resolution and Authorizing Resolution, and (ii) the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated, 1953, as amended, for the purpose of financing, in part, the (i) water and sewer system improvements, and related improvements, and (ii) paying the costs of issuing the Bonds. This Bond is a special limited obligation of the Issuer payable solely from the Net Revenues (as defined in the Master Resolution) of the System and does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Net Revenues of the System. After issuance this Bond shall be incontestable.

The Series 2019B Bonds are issued on parity with the Issuer's Outstanding Obligations (as defined in the Master Resolution) and its Series 2019A Bonds, such that the Series 2019B Bonds are secured by a pledge of the Net Revenues of the Issuer's System, which pledge is on parity with and equal to the pledge of the Outstanding Obligations and the Series 2019A Bonds.

As provided in the Master 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 Master 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 Master 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 Master Resolution.

The issuance of this Bond shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for its payment.

This Bond is subject to prepayment and 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 and by lot selected by the Issuer if less than all Bonds of a particular due date are to be redeemed, upon notice given as hereinafter set forth, at a redemption price equal to the principal amount to be so prepaid.

Notice of redemption shall be mailed by the Issuer, postage prepaid, not less than thirty (30) days prior to the date fixed for prepayment, to the registered owner of this Bond addressed to such owner at its address appearing on the registration books maintained by the Issuer.

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

The Issuer covenants and agrees that it will fix rates for water and sewer service sufficient to pay when due this Bond, and the principal and interest on all bonds issued on a priority to or parity with this Bond, if any, as the same fall due, provided such rates must be reasonable rates for the type, kind and character of the service rendered, and will collect and account for the Revenues (as defined in the Master Resolution) to be received for such service, and will set aside one hundred percent (100%) of the Net Revenues of the System (as defined in the Master Resolution) to pay this Bond according to the payment terms hereinabove set forth and the principal and interest on all bonds issued on a parity with this Bond, if any.

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 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 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.

It is hereby declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in regular and due time, form and manner as required by law, that the amount of this Bond does not exceed any limitation prescribed by the Constitution or statutes of the State of Utah, that the Net Revenues (as defined in the Master Resolution) to be derived from the operation of the System have been pledged and that an amount therefrom will be set aside into a special fund by the Issuer sufficient for the prompt payment of this Bond and all bonds issued on a parity with this Bond, if any, and that said Net Revenues are not pledged, hypothecated or anticipated in any way other than by the issue of this Bond and all bonds issued on a parity with this Bond, if any.

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 said Issuer this _____, 20__.

/s/ (Do Not Sign)
Mayor

Countersigned:

/s/ (Do Not Sign)
City Recorder

(S E A L)

REGISTRATION CERTIFICATE

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

<u>Date of Registration</u>	<u>Name of Registered Owner</u>	<u>Signature of Bond Registrar</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

CERTIFICATE OF DATES
OF PAYMENT AND AMOUNT

The undersigned authorized representative of the State of _____ (the “_____”) hereby certifies that the _____ has received written authorization from the Mayor or the City Recorder of the Issuer to stamp or write 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 Amount” is the total amount received by the Issuer for the Project, and that the undersigned has placed his/her signature in the space provided opposite such amount(s) to evidence the same.

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

EXHIBIT B-2

FORM OF EXCHANGE BOND

UNITED STATES OF AMERICA
STATE OF UTAH
COUNTY OF CACHE
MILLVILLE CITY
WATER AND SEWER REVENUE BONDS, SERIES 2019B

INTEREST RATE

MATURITY DATE

ISSUE DATE

_____%

February 1, 20__

Registered Owner: _____

Principal Amount: _____ Dollars

Millville City, Cache County, 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 identified above, or registered assigns, on the Maturity Date specified above, upon presentation and surrender thereof, the Principal Amount identified above. Principal and redemption price of this Bond shall be payable upon presentation of this Bond to the City Recorder of the Issuer as Paying Agent, or its successor as such paying agent, for payment at maturity.

If this Bond is not paid when due and payable, the Issuer shall pay interest on the unpaid amount at the rate of eighteen percent (18%) per annum from the due date thereof until paid in full.

This Bond is one of an authorized issue of bonds of like date, term and effect except as to maturity, in the aggregate principal amount of _____ Dollars (\$ _____), issued in exchange for the conversion of the Issuer's Water & Sewer Revenue Bond, Series 2019B dated _____, 20__, in the Total Principal Amount of \$ _____, authorized by a Master Resolution of the Pricing Committee of the Issuer duly adopted on _____, 20__ (the "Master Resolution") as authorized by the Authorizing Resolution adopted by the governing body of the Issuer on September 26, 2019 (the "Authorizing Resolution"). This Bond and the issue of Bonds of which it is a part is issued pursuant to (i) the Master Resolution and (ii) the Utah Local Government Bonding

Act, Title 11, Chapter 14, Utah Code Annotated, 1953, as amended, for the purpose of financing, in part, the (i) water and sewer system improvements, and related improvements, and (ii) paying the costs of issuing the Bonds. This Bond is a special limited obligation of the Issuer payable solely from the Net Revenues (as defined in the Master Resolution) of the System and does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Revenues of the System.

The Series 2019B Bonds are issued on parity with the Issuer's Outstanding Obligations (as defined in the Master Resolution) and its Series 2019A Bonds, such that the Series 2019B Bonds are secured by a pledge of the Net Revenues of the Issuer's System, which pledge is on parity with and equal to the pledge of the Outstanding Obligations and Series 2019A Bonds.

As provided in the Master 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 Master 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 Master 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 Master Resolution.

The issuance of this Bond shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for its payment.

Optional Redemption. The Bonds are subject to redemption prior to maturity 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 maturity and by lot within each maturity if less than the full amount is redeemed, upon not less than thirty (30) days' nor more than forty-five (45) days' prior notice, at a redemption price equal to 100% of the principal amount of each Bond to be redeemed. Notice of redemption shall be mailed by the Issuer, postage prepaid, to the registered owners of said Bonds addressed to such owners at their address appearing on the registration books maintained by the Issuer.

Subject to the provisions of the Master Resolution, the Series 2019B Bonds (as defined in the Master Resolution) are issuable in fully registered form, without coupons, in denomination equal to the principal amount of the bonds or, upon exchange, in the denomination of \$1,000 or any integral multiple thereof.

The Issuer covenants and agrees that it will fix rates for water and sewer service sufficient to pay this Bond when due and principal on all bonds issued on a priority to or parity with this Bond, if any, as the same fall due, provided such rates must be reasonable rates for the type, kind and character of the service rendered, and will collect and account for

the Revenues (as defined in the Master Resolution) to be received for such service, and will set aside one hundred percent (100%) of the Net Revenues of the System (as defined in the Master Resolution) to pay this Bond according to the payment terms hereinabove set forth and the principal and interest on all bonds issued on a parity with this Bond, if any.

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 Registered 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 by the registered holder hereof in person or by his attorney duly authorized in writing at the office of the City Recorder (the "Registrar") in Millville City, Utah, but only in the manner, subject to the limitations and upon payment of the charges provided in the Master Resolution and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

It is hereby certified, recited and declared that all conditions, acts and things essential to the validity of this Bond and the issue of which it forms a part do exist, have happened and have been done, and that every requirement of law affecting the issue hereof has been duly complied with; that this Bond and the issue of which it forms a part does not exceed any limitation prescribed by the Constitution and laws of the State of Utah; that one hundred percent (100%) of the Net Revenues to be derived from the operation of the System, including any future improvements, additions and extensions thereto, have been pledged and will be set aside into said special fund by the Issuer to be used for the payment of this Bond and the issue of which it forms a part and all bonds issued on a parity with this Bond, if any, and that said Net Revenues of the System are not pledged, hypothecated or anticipated in any way other than by the issue of Series 2019 Bonds of which this Bond is one and all bonds issued on a parity with this Bond, if any.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by its Mayor and countersigned by its City Recorder with the seal of said Issuer affixed, all as of the ____ day of _____, 20__.

By /s/ _____ (Do Not Sign)
Mayor

COUNTERSIGNED:

/s/ _____ (Do Not Sign)
City Recorder

(S E A L)

ASSIGNMENT

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

_____ (Tax Identification or Social Security No. _____) the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

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

Signature Guaranteed:

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO SEC RULE 17Ad-1



AGENDA REPORT: WILDFIRE PROTECTION AGREEMENT August 22, 2019

Background

In 2017, the City Council signed an agreement with the Utah Division of Forestry to implement a wildfire protection plan in Millville.

Although some work was done initially on this program, it has been awhile and the City needs to take action to meet the requirements laid out in the agreement. The City needs to spend time to work in three areas: Wildfire Prevention, Wildfire Mitigation and Wildfire Preparedness.

We need to figure out a plan to tackle these three focus areas and spend time on each one.

Included Documents

- Example sheet of the three areas of focus with activities that can be done for each.
- Excerpt from minutes of City Council Meeting of May 25, 2017 where this was discussed and agreement was signed.
- Wildland Fire Reduction Strategy Fire Policy Training Presentation.
- Resolution 2017-8 including the agreement.

PARTICIPATION COMMITMENT ACTIONS

For Local Governments

(Suggested actions, not a conclusive or final list. Other actions will be added as appropriate)



WILDFIRE PREVENTION

Activities directed at reducing the number of human-caused fires. (**Goal: Fire-Adapted Communities**)

- Costs of wildfire prevention campaigns
- Costs of wildfire mitigation educational materials (defensible space, firewise landscaping etc)
- Costs of implementing Ready, Set, GO! program
- Law enforcement patrols to enforce fire restrictions and/or burn permit violations
- Volunteer hours for meetings and events that promote, plan or implement CWPPs
- Costs of wildfire prevention media campaigns/ PSAs
- Costs of designing, producing and installing community awareness and/or wildfire prevention boards/displays

WILDFIRE MITIGATION (50% min)

Actions taken to reduce or eliminate risks to persons, property or natural resources. (**Goal: Resilient Landscapes**)

- Costs of equipment and labor (including volunteer hours) used to reduce hazardous fuels in accordance with CWPP (*i.e. fuel breaks, prescribed fire, timber harvests and certain activities that support grazing*)
- Costs or volunteer value of equipment and labor toward ongoing maintenance of existing CWPP fuel reduction projects
- Volunteer hours toward removing hazardous fuels from community common areas identified in CWPPs
- Volunteer hours toward improving ingress/egress in community common areas identified in CWPPs
- Costs associated with community fuel reduction events (*i.e. chipper days*)
- Costs of vegetation management equipment

WILDFIRE PREPAREDNESS (25% max.)

Activities that lead to a safe, efficient and capable wildfire suppression response (**Goal: Strong Initial Attack Capability**)

- Costs of improving wildland fire apparatus, communication or support
- Costs of improving or creating additional ingress/egress into Wildland Urban Interface (WUI) areas identified in CWPPs
- Costs of improving or increasing firefighter access to secondary water systems through hydrants, tanks or drafting sites
- Actual costs for providing wildfire suppression training to fire department and/or emergency management personnel
- Volunteer hours spent in training for wildland fire suppression
- Costs of wildland-specific Personal Protective Equipment (PPE)
- Costs of producing and installing road signs and address markers (including evacuation routes) as part of a CWPP
- Costs of certifying bulldozer operators
- Costs associated with enforcement of WUI code
- Costs associated with installing/maintaining helicopter dip sites
- Costs of inspecting resident defensible space work to certify for individual tax incentives
- Costs of producing and/or updating city emergency response plans that address CWPPs
- Costs of land-use planning that support objectives of CWPPs
- Costs supporting the development of Community Wildfire Protection Plans (CWPPs)
- Costs associated with gaining "Firewise Community" recognition

Activities that DO NOT qualify:

- Any activity funded by other state or state-administered federal funds
- Any previously-matched prevention/preparedness
- Costs of state or federally-provided trainings
- Costs of initial attack suppression of wildfires
- Costs of improving culinary water systems
- Costs to improve individual structures
- Costs of existing county employees or programs including weed departments

From City Council Meeting Minutes 5/25/17

Consideration of a Resolution accepting the Wildfire Management Cooperative Agreement between Millville City and the Utah Division of Forestry, Fire and State Lands

Mayor Johnson introduced Blaine Hamp and Dusty Richards from the Utah Division of Forestry, Fire and State Lands. The Council had previously reviewed the agreement.

Councilmember Duffin asked about a residential area on the southwest side of town on the map that was classified as a high-risk fire section. Dusty Richards explained that the risk level is based on satellite images showing brush and grasses that would give fuel to a fire as well as fire reports from Hyrum City. If there is a fire in an area of town that the fire department responds to, the risk level increases. Blaine Hamp said that we could discuss any parts of the map where the risk level may be in question, but that the designated level of participation for Millville City was really low anyway.

Dusty Richards handed out the Catastrophic Wildland Fire Reduction Strategy Fire Policy Training Presentation that he briefly reviewed. (A copy of the Training Guide is included in the minutes as Attachment "E".)

In the past couple of years, Utah Senate Bill 56 and Bill 122 were passed that required the creation of a plan to reduce the wildfire risk and gave municipalities the opportunity to join the cooperative agreement that had previously only been offered to counties. These bills also clarified who would be responsible for paying for fire fighting in cities. By signing the agreement, the State now assumes responsibilities and covers the cost for large and extended attack fires. The local governments that sign this agreement have the primary responsibility for the initial attack of the fire through their fire departments and must create a Community Wildfire Protection Plan (CWPP) and meet participation requirements in risk reduction.

Mayor Johnson asked how the CWPP is to be created. By appointment, the Utah Division of Forestry, Fire and State Lands will meet with Millville to build the plan. The CWPP will become Millville's guiding document to help meet their commitment and work on the most at risk areas in the City. This needs to be completed within two years. Hours spent working on the CWPP will go toward Millville's commitment responsibilities.

The participation requirements were then discussed. Dusty Richards explained that the State does not want a check from the City. The push is for community involvement to meet the yearly requirement of \$826 at the rate of approximately \$24 per hour of community service. Each year, 25% of that yearly amount should come from work on prevention, 25% should come from working on preparedness and 50% should come from mitigation. The attached presentation goes into detail on what is covered under each of these categories. Blaine Hamp did say that the recent work and dollars spent on the Fireworks Ordinance would go towards the prevention category. Blaine also explained that any amount exceeding the yearly requirements could be rolled over to the next year for up to three years.

The mitigation requirements was discussed in more detail and suggestions were given of working around the new road above the deer fence trimming back dry grass and weeds or

possibly a Citywide clean up day. Eagle Scout projects were also discussed as a good way to work on mitigation. Not all of the work has to be done in just the interface areas, although preferably much of the efforts would be focused on the most at-risk parts of the City.

The State will be creating a spreadsheet where municipalities participating in the agreement will log what they did in each category and the number of hours it took. Dusty Richards suggested that the City get preapproval through Blaine Hamp before starting a project to ensure it will count toward the requirements.

Councilmember Duffin asked what would happen if Millville City did not participate in the Cooperative Agreement. It was explained that the City would then be responsible for the full cost of fighting a fire if one should occur, which would be very costly. Dusty Richards said that this agreement is essentially a very cheap insurance policy for wildfires.

Treasurer Hobbs asked if residents in the area that were paying to have the dry grass cut would be eligible for individual tax incentives. Richards and Hamp weren't sure on this, but believed that this would qualify.

Councilmember Cummings moved to approve Resolution 2017-8, A Resolution adopting the Wildfire Cooperative Agreement with the Utah Division of Forestry, Fire and State Lands. Councilmember Callahan seconded. Councilmembers Cummings, Duffin, Callahan, Williams and Zollinger voted yes. (The signed agreement and the resolution are included with the minutes as Attachment "F".)



Forestry, Fire and State Lands Fire Policy Training

Catastrophic Wildland Fire Reduction
Strategy

S.B. 122 Wildland Fire Policy

2015 S.B. 56

- **Requires** the Division of Forestry, Fire, and State Lands to develop a state-wide wildland fire policy; describes the goals of a state-wide catastrophic wildfire reduction strategy; and allows the division to use funds to promote wildfire prevention, mitigation, and preparedness.



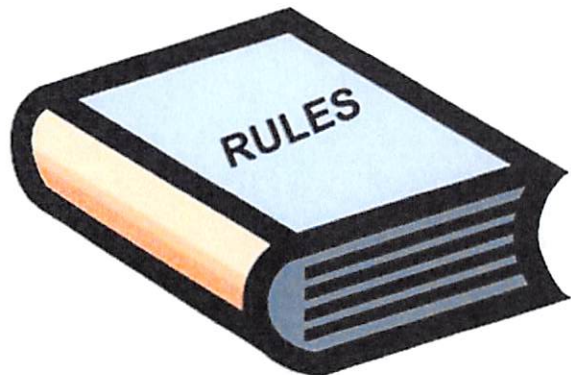
2016 Legislation

- S.B. 122 - Allows **Municipalities** as well as Counties to enter Cooperative Agreements with the State
- S.B. 212 – Authorizes funding for the suppression fund.



Four Policy Issues

1. The State Assumes Cost of Large and Extended Attack Fires.
2. Local Government Obligations
3. Delegation of Fire Management Authority and Transfer of Fiscal Responsibility
4. Cost Recovery



1. State Assumes Cost of Large and Extended Attack Fires

- Begins Jan 1, 2017
- New Cooperative Agreement replaces current County Agreement
- Cities have until June 30, 2017 to sign



1. State Assumes Cost of Large and Extended Attack Fires

New Cooperative Agreement

- **Voluntary system**
- Currently Available
- 5 Year life span
- Cities sign by Jun. 30, 2017



2. Local Government Obligations

- Initial Attack is a primary responsibility for participating entities.
- Local fire department training, certification and equipment standards
- Community Wildfire Protection Plan (CWPP)
- Participation Commitment
- Eligible entities



2. Local Government Obligations

Eligible Entities are Counties, Municipalities, or Special Service Districts with Fire Suppression AND Taxing Authority



© Can Stock Photo - csp0622725



2. Local Government Obligations

Participation Commitment

Counties

10 year wildfire history

Risk Assessment tool

Municipalities & Service Districts

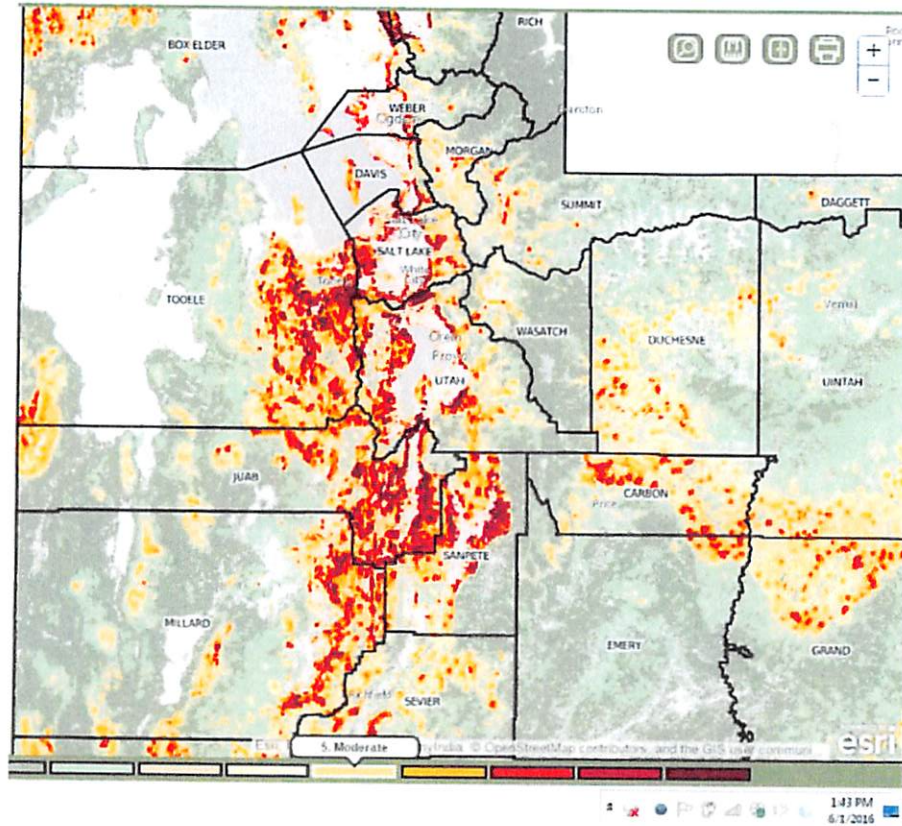
Risk Assessment tool

Fire history beginning in 2017



2. Local Government Obligations *Risk Assessment Tool*

<https://www.utahwildfirerisk.com/>



2. Local Government Obligations

Participation Commitment

PREVENTION

Reduce human-caused fires.

PREPAREDNESS (25% max.)

Safe, efficient and capable wildfire suppression response.

MITIGATION (50% min)

Reduce risks to persons, property or natural resources.



2. Local Government Obligations

Activities That Don't Qualify

- ▶ Any State funded activity
- ▶ Any previously matched prevention/preparedness
- ▶ Cost of State or Federally provided trainings
- ▶ Cost of initial attack
- ▶ Improving culinary water systems
- ▶ Improving individual structures
- ▶ Existing County employees or programs (weed departments)



3. Delegation of Fire Management Authority and Transfer of Fiscal Responsibility

The delegation of fire management authority to the Division may occur at any time during the incident and when;

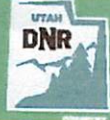
- Local Incident Commander requests;
- State or Federally owned lands are involved;
- Resources ordered through an Interagency Fire Center;
- At the discretion of the State Forester.

Delegation means, Division or its designee becomes the *primary* incident commander.

The State will pay for all aircraft costs. Aircraft must be ordered by the State.



TRANSITIONING FISCAL RESPONSIBILITY FROM LOCAL GOVERNMENT TO STATE



Requested by the Local
Fire Official on Scene
(I.C.)

Cities and Counties Empowered
to Request Assistance
and
Creates Incentives for Local
Mutual and Automatic Aid
Agreements

When State or
Federally Managed
Lands are Involved

In this scenario, the Cost-Share
is between State and Federal
Entities

Resources
are Ordered through an
Interagency Fire Center

Local Capacity Reinforced
through the Interagency System

At The Discretion of
the State Forester

Maintaining the Language of
Current Statute Requiring State
Forester to "Make Certain that
Appropriate Action is Taken to
Control Wildland Fires on Non-
Federal...Lands"

REMEMBER!

Unified Command:

Transfer of Fiscal Responsibility Does NOT Remove
Local Government From the Command Structure or
the Decision-Making Process

All Aircraft Costs:

Become the Fiscal Responsibility of the **State**
(both Initial and Extended Attack)

Cost recovery for human-caused wildfires

- Be more proactive
- Costs recovered deposited into the Wildfire Suppression Fund.
- Helps with prevention



Warden's Relationship

Disseminate information

Identify risk and how to mitigate it.

Advise participating entities how to become successful.

Help local government track expenses.

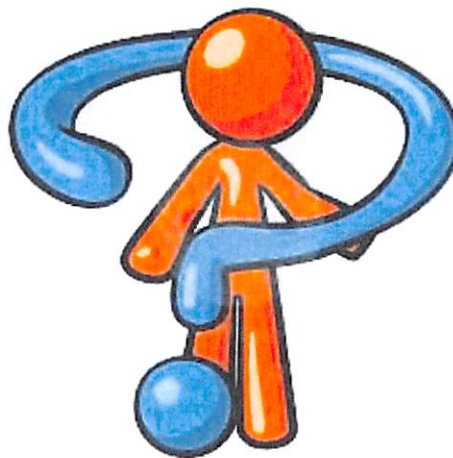
Sign CWPP's.



Summary

- State assumes cost of fires in return for;
- Local efforts to reduce risk,
 - Prevention
 - Preparedness
 - Mitigation
- Community Wildfire Protection Plan
- Local Initial Attack





Blain Hamp
Bear River Area Manager
blainhamp@utah.gov
435-752-8701



RESOLUTION 2017 - 8

RESOLUTION ADOPTING THE WILDFIRE COOPERATIVE AGREEMENT WITH THE
UTAH DIVISION OF FORESTRY, FIRE AND STATE LANDS

WHEREAS, Millville City is bordered by mountains on the east side of the City; and

WHEREAS, there have been fires in the mountains to the east of the City in the past; and

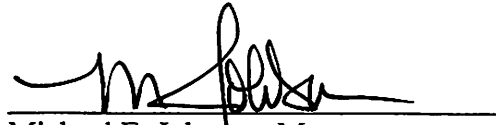
WHEREAS, the Utah Division of Forestry, Fire and State Lands are creating a Cooperative Agreement for wildland fire management and Millville City has been asked to participate; and

WHEREAS, the City Council reviewed the proposed Cooperative Agreement on May 25, 2017;

THEREFORE, IT IS HEREBY RESOLVED, the attached Cooperative Agreement between the Utah Division of Forestry, Fire and State Lands and Millville City is approved and will become effective on July 1, 2017.

Approved and passed by the Millville City Council this 25th day of May, 2017.

BY:


Michael E. Johnson, Mayor

ATTEST:


Corey Twedt, City Recorder

COUNCILMEMBER	YES	NO	ABSENT	ABSTAIN
Michael Callahan	X			
Cindy Cummings	X			
Julianne Duffin	X			
Mark Williams	X			
Ryan Zollinger	X			



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Forestry, Fire and State Lands

BRIAN L. COTTAM
Division Director / State Forester

April 10, 2017

Mayor Michael Johnson
PO Box 308
Millville, UT 84326

Subject: Cooperative Agreement with cities for wildfire management

Mayor Johnson,

A few months ago you should have received a letter from the Division of Forestry, Fire and State Lands regarding a Cooperative Agreement for wildland fire management. As we approach the July 1st signup date, I wanted to reach out to you again.

Included in this letter is a copy of the Cooperative Agreement template, a participation commitment sheet, and a form for communities wishing to Opt-Out. Please take a look at these documents to determine whether your community could benefit from this program.

If you choose to enter into an agreement with the Division we are asking that you invest the specified dollar amount into your community as a Participation Commitment. The participation commitment is based upon a statewide risk assessment that can be found at <https://utahwildfirerisk.utah.gov/> and will be coupled with a 10 year history of fire costs within your community.

The following are some of the benefits of the program;

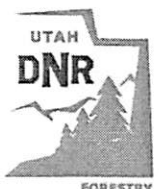
1. Local fire departments will maintain their role in fire suppression.
2. When fires are delegated to the State, **the State will pay for extended attack and all aircraft costs.**
3. Delegation occurs when the local fire department requests it or when State or Federal lands become involved.
4. The Division will assist with a Community Wildfire Preparedness Plan (CWPP).
5. Local government is empowered to reduce risk in the community.

If you have questions or want more details, I am available to present to a city council meeting or to consult with city officials and/or fire departments at their convenience.

Please contact me for full details on this program and let me know if your community would like to enter into this agreement with the State.

Sincerely,

Blain Hamp, Bear River Area Manager
blainhamp@utah.gov
435-752-8701



**COOPERATIVE AGREEMENT
BETWEEN THE
UTAH DIVISION OF FORESTRY, FIRE AND STATE LANDS
AND
MILLVILLE**

This agreement shall become effective on July 1, 2017 and is intended to continue for five years from the date of the last authorized signature and may only be amended by mutual written agreement of the parties. In the event of disagreement between this agreement and any statute or regulation, the statute or regulation shall control. No waiver of any terms of this agreement will be valid unless in writing in accordance with R652-122-200 (2017).

SECTION I: RECITALS AND GLOSSARY OF TERMS

A. Pursuant to Utah Code § 65A-8-203 (2017), this Cooperative Agreement is required for a county, municipality, or certain other eligible entity ("Participating Entity") and the State of Utah, Division of Forestry, Fire, and State Lands ("FFSL")(collectively "parties") to cooperatively discharge their joint responsibilities for protecting non-federal land from wildland fire.

B. Glossary of Terms

- a. Annual Participation Commitment Report – a report prepared by the Participating Entity detailing the expenditures and activities conducted in compliance with the Participation Commitment during the past fiscal year.
- b. Cooperative Agreement – an agreement between FFSL and an Eligible Entity wherein the Eligible Entity agrees to meet a Participation Commitment and provide Initial Attack for wildland fire, and FFSL agrees to pay for wildland fire suppression costs following a Delegation of Fire Management Authority as found in Utah Code § 65A-8-203.1 (2017), as well as all aviation asset costs charged to the incident.
- c. Eligible Entity – as defined in Utah Code § 65A-8-203 (2017), a county, municipality, special service district, local district, or service area with wildland fire suppression responsibility as described in Utah Code § 11-7-1 and wildland fire suppression cost responsibility and taxing authority for a specific geographic jurisdiction; or, with approval by the FFSL director, a political subdivision established by a county, municipality, special service district, local district, or service area that is responsible for providing wildland fire suppression services and paying for the cost of wildland fire suppression.
- d. Extended Attack – actions taken in response to wildland fire after Initial Attack.
- e. Initial Attack –actions taken by the first resources to arrive at any wildland fire incident. Initial actions may be size-up, patrolling, monitoring, holding action, or

Cooperative Agreement
MILLVILLE

aggressive suppression action. All wildland fires that are controlled by suppression forces undergo initial attack. The kind and number of resources responding to initial attack varies depending on fire danger, fuel type, values to be protected and other factors. Generally, initial attack involves a small number of resources and the incident size is small. Regardless of fire type, location, or property/resources being threatened, firefighter and public safety is always the highest priority. (NWCG Wildland Fire Incident Management Field Guide, 2013)

- f. Participation Commitment – prevention, preparedness, and mitigation actions and expenditures undertaken by a Participating Entity to reduce the risk of wildland fire and meet the intent of Utah Code § 65-A-8-202 (2017) and Utah Code § 65-A-8-202.5(2017).
- g. Annual Participation Commitment Statement – a statement prepared by FFSL and sent to the Participating Entity detailing the Participation Commitment for the upcoming fiscal year.
- h. Participating Entity – an Eligible Entity with a valid Cooperative Agreement.

SECTION II: CERTIFICATION OF QUALIFICATIONS

FFSL and the Participating Entity certify that the following qualifications have been met:

- A. The Participating Entity is a county, municipality, or other Eligible Entity.
- B. The Participating Entity agrees to adopt within 2 years of signing this agreement, and update within five years of signing this agreement, a Community Wildfire Preparedness Plan ("CWPP") or an equivalent wildland fire preparedness plan with approval from FFSL.
- C. The Participating Entity's fire department or fire service provider as defined in Utah Code § 65A-8-203 (2017) meets minimum standards for wildland fire training, certification, and equipment based on nationally accepted standards as specified by FFSL in R652-122-1400 (2017).
- D. FFSL has provided an Annual Participation Commitment Statement and the Participating Entity has reviewed, approved, and returned the signed Annual Participation Commitment Statement to FFSL before the start of the Participating Entity's fiscal year.
- E. The Participating Entity agrees to implement prevention, preparedness, and mitigation actions, which are identified in their CWPP and lead to reduction of wildfire risk, according to their Annual Participation Commitment Statement.

Cooperative Agreement
MILLVILLE

- F. The Participating Entity is not ineligible for a Cooperative Agreement pursuant to R652-122-200 (2017), R652-121-400 (2017), or R652-121-600 (2017)
- G. If the Participating Entity is a county or has jurisdiction over unincorporated private land, the county in question has adopted a wildland fire ordinance based on minimum standards established by FFSL in R652-122-1300 (2017).
- H. If the Participating Entity is a county or has jurisdiction over unincorporated private land, the county in question has a designated fire warden as described in Utah Code § 65A-8-209.1 (2017) and has entered into a County Warden Agreement (Addendum A).

SECTION III: PARTICIPATION COMMITMENT

FFSL and the Participating Entity agree to the following provisions:

A. Participation Commitment

- 1. The Participating Entity agrees to fulfill a Participation Commitment as contained in R652-122-800 (2017) and R652-122-200(6)(c) (2017).
- 2. The Participation Commitment includes prevention, preparedness, and mitigation actions identified in an FFSL-approved CWPP or equivalent wildland fire preparedness plan.

B. Participation Commitment Expenditures and Activities

- 1. The Participation Commitment may be met through either direct expenditures or in-kind activities.
 - a. Direct expenditures include funds spent by the Participating Entity to implement wildland fire prevention, preparedness or mitigation actions identified in Addendum B or with the approval of the Participating Entity's respective FFSL Area Manager.
 - b. In-kind activities include wildland fire prevention, preparedness or mitigation efforts identified in Addendum B or with the approval of the Participating Entity's respective FFSL Area Manager.
 - i. In-kind expenditures are valued at the rate calculated by the "Independent Sector" (<https://www.independentsector.org/>), the same source used for FFSL's Fire Department Assistance Grant program.
 - c. Participation Commitment cannot be met through direct payment to the State.
- 2. FFSL staff (e.g., County Warden, WUI Coordinator, FMO, or Area Manager) may assist the Participating Entity with identifying valid Participation Commitment

**Cooperative Agreement
MILLVILLE**

actions and activities based on the Participating Entity's FFSL-approved CWPP or equivalent wildfire preparedness plan.

C. Participation Commitment Accounting and Reporting

1. The Participating Entity is responsible for accounting for its respective Participation Commitment activities and expenditures.
 - a. Beginning January 1, 2016, all qualifying Participation Commitment expenditures and activities count toward the Participating Entity's first full fiscal year Participation Commitment.
 - b. The value of Participation Commitment expenditures and activities may, in certain instances, "carry-over" to the next fiscal year with the approval of the respective FFSL Area Manager.
 - i. The value of capital improvement projects--typically, large "preparedness-type" projects--can carry-over for five years, with no single project's value accounting for more than 25% of the Participating Entity's total Participation Commitment for any of those years. This is the same 25% annual maximum that applies to all preparedness activities as noted on Addendum B.
 - ii. All other non-capital improvement actions (e.g., a large fuels reduction project) can carry over for three years. No maximum value applies to mitigation actions as described in Addendum B.
 - iii. It is the responsibility of the Participating Entity to receive approval from their respective FFSL Area Manager in advance of pursuing a carry-over
 - iv. It is the responsibility of the Participating Entity to account for, track and report in their annual Participation Commitment Report the carry-over from year to year.
2. The Participating Entity agrees to provide an Annual Participation Commitment Report detailing the Participation Commitment activities and expenditures to their local FFSL Area Office at the conclusion of the Participating Entity's fiscal year (via the County Fire Warden) for annual review and approval by FFSL.
 - a. FFSL shall have the right to review and verify records related to the Participation Commitment. FFSL shall also have the right to deny unverifiable or incorrect records.

D. Annual Participation Commitment Statement

1. In advance of a Participating Entity's fiscal year, FFSL will send the Participating Entity an Annual Participation Commitment Statement.
2. In order to continue participation for the Participating Entity's upcoming fiscal year, the Participating Entity's executive officer must approve, sign and return the Annual

**Cooperative Agreement
MILLVILLE**

Participation Commitment Statement to FFSL by the due date contained in the Statement. Failure to do so will terminate this agreement at the conclusion of the Participating Entity's current fiscal year.

3. The Annual Participation Commitment Statement is based on the Participating Entity's fiscal year, and the corresponding Participation Commitment must be met throughout the Participating Entity's next fiscal year.
 - a. For counties, the first year of Participation Commitment will be FY 2017, starting January 1, 2017.
 - b. For cities and towns, the first year of Participation Commitment will be FY 2018, starting July 1, 2017.
 - c. For any other Participating Entity, the fiscal year may vary, so the first year of Participation Commitment will begin at the start of each Participating Entity's fiscal year.

E. Participation Commitment Calculation

1. The Participation Commitment is based on two elements, a wildfire risk assessment by acres ("Risk Assessment") conducted by FFSL, and the historic fire cost average ("Fire Cost Average") in each Participating Entity's jurisdiction.
 - a. The Risk Assessment is determined by FFSL's "Utah Wildfire Risk Assessment Portal" (UWRAP), which will be updated as data sources, technology and funding allow.
 - b. The Fire Cost Average is based on historic suppression costs accrued by a Participating Entity. Only wildland fire suppression costs accrued and paid by the State on behalf of a Participating Entity are counted toward that entity's historic fire cost average. This includes State-paid costs after a Delegation of Fire Management Authority and Transfer of Fiscal Responsibility has occurred.
 - i. The Fire Cost Average is calculated on a rolling ten-year average, dropping the highest and lowest cost years and adjusting for inflation (using the Consumer Price Index); therefore, each ten-year average will have eight data points.
 - ii. The Fire Cost Average will only include State-paid suppression costs for areas for which the Participating Entity has fire suppression responsibility and taxing authority.
2. FFSL will calculate the Participation Commitment for the Participating Entity according to the formula found in R652-122-300 (2017), R652-122-400 (2017) and R652-122-500 (2017).

F. Participation Commitment Appeals

1. Decisions related to the Participation Commitment may be informally appealed to the State Forester.

**SECTION IV: INITIAL ATTACK, DELEGATION OF FIRE MANAGEMENT
AUTHORITY, TRANSFER OF FISCAL RESPONSIBILITY,
and EXTENDED ATTACK**

A. Initial Attack

1. The Participating Entity agrees to primary responsibility for Initial Attack ("IA"). IA is defined as actions taken by the first resources to arrive at any wildland fire incident. Initial actions may be size-up, patrolling, monitoring, holding action, or aggressive suppression action. All wildland fires that are controlled by suppression forces undergo initial attack. The kind and number of resources responding to initial attack varies depending on fire danger, fuel type, values to be protected and other factors. Generally, initial attack involves a small number of resources and the incident size is small. Regardless of fire type, location, or property/resources being threatened, firefighter and public safety is always the highest priority (NWCG Wildland Fire Incident Management Field Guide, 2013).
2. Effective wildland fire IA will be determined by FFSL based on the definition above and pursuant to Utah Code § 65A-8-202 (2017), defined as what is reasonable for the entity.
3. The Participating Entity agrees to financial responsibility for all IA costs except aviation assets, which are the responsibility of the State.
4. FFSL agrees to financial responsibility for all costs of aviation assets, including both IA and extended incidents.
 - a. Aviation assets on initial run cards as established by the State will not:
 - a. be counted towards a Participating Entity's historic fire cost average for purposes of annually calculating the Participating Entity's Participation Commitment; and,
 - b. cause the Delegation of Fire Management Authority or Transfer of Fiscal Responsibility.

B. Delegation of Fire Management Authority and Transfer of Fiscal Responsibility

1. Delegation of Fire Management Authority and Transfer of Fiscal Responsibility ("Delegation") occur simultaneously with one of the following events:
 - a. State or federally owned lands are involved in the incident; or,
 - b. firefighting resources are ordered through an Interagency Fire Center (beyond "pre-planned dispatch"); or,

- c. at the request of the Participating Entity having jurisdiction by the local fire official on scene; or,
 - d. by decision of the State Forester after consultation with local authorities.
- 2. Delegation to FFSL means FFSL or its designee becomes the primary incident commander, in a unified command environment with the agency having jurisdiction.

C. Extended Attack

- 1. Upon Delegation a timestamp will be recorded via radio with the Interagency Fire Center servicing the incident.
- 2. Delegation documentation will be signed by all parties on the incident organizer and resource needs will be reevaluated in the transition from initial to extended attack.
- 3. This timestamp will also be reflected on the Crew Time Reports (CTR)/Shift Ticket of all resources that are not covered by a no-cost local agreement, such as an automatic aid system or other inter-local agreement.
- 4. At the time of the Delegation, a new CTR/Shift Ticket will be started for all resources to be used in the extended attack effort.
- 5. FFSL agrees to be financially responsible for the wildland fire suppression costs beyond IA if a Delegation occurs and the Participating Entity meets the terms of Code, Rule and this Agreement.

SECTION V: WILDLAND FIRE RESPONSE TRAINING, CERTIFICATION AND EQUIPMENT STANDARDS

A. Wildland Fire Response Training and Certification

1. FFSL prefers certification by the Utah Fire Certification Council as Wildland Firefighter I as certified by the Utah Fire and Rescue Academy (UFRA).
2. At a minimum, the Participating Entity will ensure that firefighters providing Initial Attack to wildland fire within the Participating Entity's jurisdiction will be trained in NWCG S130 Firefighter Training and S190 Introduction to Wildland Fire Behavior. FFSL also recommends S215 Wildland Urban Interface Firefighting Operations.
 - a. This includes firefighters who are directly involved in the suppression of a wildland fire; firefighters on scene who have supervisory responsibility or decision-making authority over those involved in the suppression of a wildland fire; or individuals who have fire suppression responsibilities within close proximity of the fire perimeter.
 - b. This does not include a person used as a courier, driver of a vehicle not used for fire suppression, or a person used in a non-tactical support or other peripheral function not in close proximity to a wildland fire.
 - c. Upon the Delegation of Fire Management Authority, Firefighters not certified by the Utah Fire Certification Council as Wildland Firefighter I will be released from Initial Attack or reassigned to other firefighting duties.
 - d. FFSL reserves the right to reevaluate these requirements.
3. The Participating Entity will ensure that firefighters providing Initial Attack to wildland fire within the Participating Entity's jurisdiction will complete RT130 Annual Fireline Safety Refresher Training prior to each statutory "closed fire season" as found in Utah Code § 65A-8-211(2017).
4. In order to be eligible for state reimbursement for wildland fire suppression response outside of its jurisdiction, a Participating Entity's firefighters and fire departments must follow the qualifications outlined in the FFSL Memorandum of Understanding.
OR
the County or participating entity fire departments for qualified resources used under this agreement on federal, state or out-of-county(or out-of-entity) fires pursuant to the terms and conditions outlined in the fire department MOU and rate agreement

B. Wildland Fire Response Equipment Standards

1. The Participating Entity will ensure that engines, water tenders, hand tools, and water handling equipment used for response to wildland fire on non-federal land within the Participating Entity's jurisdiction will meet the standard for the type of equipment as

**Cooperative Agreement
MILLVILLE**

determined by the National Wildfire Coordinating Group and/or as indicated in FFSL's annual Fire Department Manual.

SECTION VI: WILDLAND FIRE COST RECOVERY LEGAL ACTIONS

- A. Pursuant to Utah Code § 65A-3-4, the Participating Entity agrees to initiate a civil action to recover suppression costs incurred by the Participating Entity and the State of Utah on non-federal land within the Participating Entity's jurisdiction for wildland fire caused negligently, recklessly, or intentionally.
- B. Counsel for FFSL will provide assistance with these actions.
- C. Any costs recovered may reduce the Participating Entity's Historic Fire Cost Average and Participation Commitment.

SECTION VII: BREACH OF THIS AGREEMENT

A. If, at the end of a fiscal year, FFSL determines that the Participating Entity has not complied with the terms of this agreement, including but not limited to, failing to comply with the Participation Commitment or failing to comply with the terms stated in Utah Code § 65A-8-203(4) (2017), the entity will be placed on Probation Status by FFSL and given notice of this decision, the reasons for this decision, and actions required to remove Probation Status. A decision to place the Participating Entity on Probation Status may be appealed to the State Forester. The State Forester may conduct an investigation, hold an informal hearing, and/or request further information from the Participating Entity and/or the Division. During Probation Status, the Participating Entity may continue to receive assistance as provided in this Cooperative Agreement, but the Participating Entity must come into compliance with the Cooperative Agreement by the end of the fiscal year.

If the Participating Entity comes into compliance with the Cooperative Agreement by the end of the first Probation Status fiscal year, the Probation Status shall be lifted.

1. If the reason for the Probation Status is that the Participating Entity has failed to fulfill its Participation Commitment during the previous fiscal year, the Participating Entity must fulfill the Participation Commitment for the previous year, as well as the Participation Commitment for the current fiscal year by the end of the fiscal year in order to have its probation status lifted.

a. If during the first Probation Status year, the Participating Entity fulfills its Participation Commitment for the previous fiscal year, but not for the first Probation Status year, the Probation Status may be extended for a second fiscal year.

Cooperative Agreement
MILLVILLE

If during the second Probation Status year, the Participating Entity fails to fulfill the Participation Commitment for both the first and second Probation Status years, the Cooperative Agreement shall be revoked as specified in subsection VII(E) herein below.

Participation Commitment expenditures and actions shall be credited towards the outstanding obligation before being credited to the current obligation.

B. If the Participating Entity does not come into compliance with the terms of this Cooperative Agreement by the end of the first Probation Status fiscal year (or second Probation Status fiscal year if the non-compliance is failure to meet the Participation Commitment), this Cooperative Agreement shall be revoked pursuant to Utah Code § 65A-8-203(5)(b)(ii) (2017) and the entity shall not be eligible for assistance from the Wildland Fire Suppression Fund and shall be responsible for wildland fire suppression costs within its jurisdiction pursuant to Utah Code § 65A-8-203.2 (2017)

If a Participating Entity revokes this agreement or if FFSL revokes this agreement for cause, the participating entity shall only be allowed to enter into a new cooperative agreement pursuant to R652-121-600 (2017).

UTAH DIVISION OF FORESTRY, FIRE, AND STATE LANDS:

Authorized Signature

Date

Title

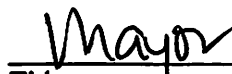
MILLVILLE



Authorized Signature

Date

5/25/17



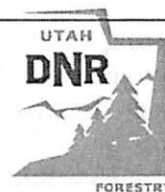
Title

APPROVED AS TO FORM:

Assistant Attorney General

Cooperative Agreement
MILLVILLE

Salt Lake City, UT 84114-5703



FINANCIAL STATEMENT: WILDLAND FIRE PROGRAM PARTICIPATION COMMITMENT BETWEEN
UTAH DIVISION OF FORESTRY, FIRE AND STATE LANDS
and MILLVILLE

	Medium Risk Assessment	High Risk Assessment	Total
	\$668	\$158	\$826
Division's 10 year fire suppression cost average within the jurisdiction:			\$0
Less carry over balance from previous year:			
Plus amount not met from previous year(s):			
		**Participation Commitment for 2017:	\$826

List below how the Participating Entity plans to meet the Participation Commitment total above. List the project, action or acquisition. Category (fuel mitigation, wildfire prevention, wildfire suppression capacity) Duration (how long will the project take to complete) Value this Year (estimated value to be claimed this year) All Projects-Actions or Acquisitions must be included in the approved Community Wildfire Preparedness Plan

[illegible]

Utah Division of Forestry, Fire and State Lands

Signature

Print Name and Title

Date

Official Participating Entity Representative

Signature

Print Name and Title

Date

****If Participation Commitment for 2017 is less than total Risk Assessment, municipality is eligible for discounted Participation Commitment based on its revenue.**

Due to the Utah Division of Forestry, Fire and State Lands within 30 days of receipt.

Notice of obligations related to the decision to opt out of the Utah Statewide Wildland Fire Management System

By signing this document I acknowledge that the Utah Division of Forestry, Fire and State Lands (FFSL) has provided the County/Town/City of _____ Utah information regarding participation in the Utah Statewide Wildfire Protection Program under a cooperative agreement with FFSL. The County/Town/City of _____ chooses to opt out of entering into a cooperative agreement with FFSL and understands the financial implications of this decision as it relates to section 65A-8-203.2 shown below:

Utah Code: 65A-8-203.2. Billing a county or municipality not covered by a cooperative agreement -- Calculating cost of wildfire suppression.

(1) The division shall bill a county that is not covered by a cooperative agreement with the division, as described in Section 65A-8-203, for the cost of wildfire suppression within the jurisdiction of that county accrued by the state.

(2) The division shall bill a municipality that is not covered by a cooperative agreement with the division, as described in Section 65A-8-203, for the cost of wildfire suppression within the jurisdiction of that municipality accrued by the state.

(3) The cost of wildfire suppression to a county or municipality that is not covered by a cooperative agreement with the division, as described in Section 65A-8-203, shall be calculated by determining the number of acres burned within the borders of a county or municipality, dividing that number by the total number of acres burned by a wildfire, and multiplying the resulting percentage by the state's total cost of wildfire suppression for that wildfire.

(4) A county or municipality that receives a bill from the division, pursuant to this section, shall pay the bill, or make arrangements to pay the bill, within 90 days of receipt of the bill, subject to the county or municipality's right to appeal, as described in Subsection 65A-8-203(5)(b)(vi).

Must be signed by the Mayor of a Town or City or Chair of the County Commission or Council

Print Name and Title

Signature

FFSL Representative

Date Signed

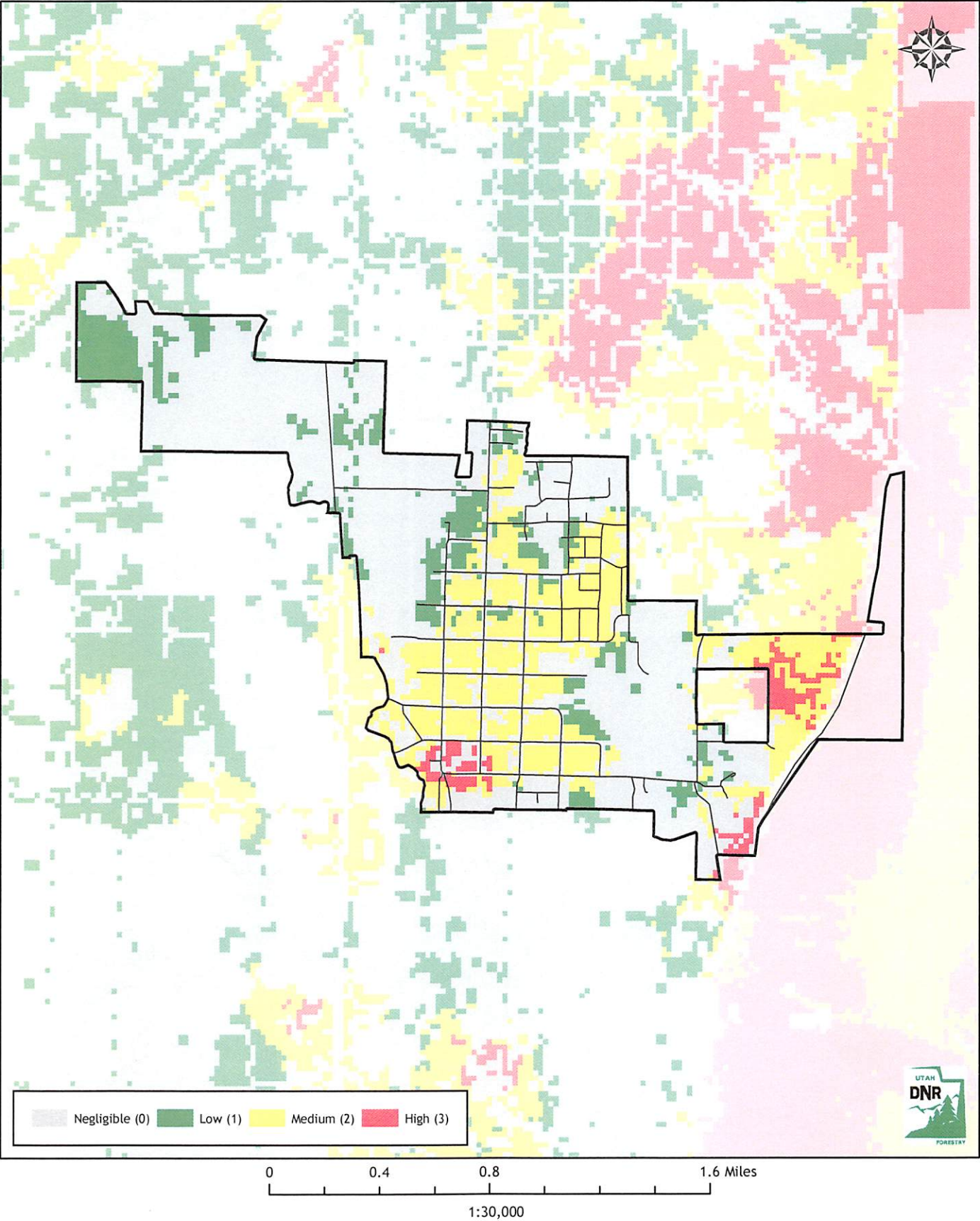
Date Signed

Projected Utah Wildfire Risk Index Millville

Medium: \$2.00/acre, High: \$3.50/acre

Low Risk: 1,028 Acres (73%)
Medium Risk: 334 Acres (24%) - \$668
High Risk: 45 Acres (3%) - \$158

Participation Commitment Total: \$826



Councilmember Assignments 2019

Updated 4/11/19

Councilmember Daniel Grange

- P&Z
- Roads
- Sewer

Councilmember Clay Wilker

- High School Liaison
- Ordinance Enforcement
- Water
- Fire

Councilmember Cindy Cummings

- First Responders
- Youth Council
- City Events (Easter, Christmas)
- Miss and Mini Miss Millville and Parades

Councilmember Mark Williams

- Millville Days and Night Out Against Crime
- Transit and CVTD
- Law Enforcement

Councilmember Michael Callahan

- Animal Control
- Cert Training/ Emergency Preparedness
- Fair Booth
- Parks
- Trails