

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED
VERNAL CITY, UINTAH COUNTY, UTAH

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, that on May 15, 2013, the City Council of Vernal City, Uintah County, Utah (the "Issuer") adopted a Resolution in which it approved the sale of and providing notice of a public hearing and of bonds to be issued of the Issuer's Taxable Water Revenue Bonds (the "Bonds") in the aggregate principal amount of not to exceed \$5,400,000 to bear no interest, to mature in not more than 35 years from their date or dates, and to be sold at a price not less than 99% of the total principal amount thereof, plus accrued interest to the date of delivery. The foregoing supplements the notice approved on March 7, 2012, and public hearing held on April 4, 2012, on water revenue bonds in an amount not to exceed \$4,900,000. The purpose of the increased principal amount is because the lowest responsible bidder on the Project was for an amount in excess of the originally noticed \$4,900,000.

NOTICE IS FURTHER GIVEN that the Issuer called a public hearing for the purpose of inviting public comment on the proposed issuance of the Bonds and the economic impact that the improvements proposed to be financed with the Bonds will have on the private sector. As water revenue bonds no taxes will be pledged to secure the Bonds. The public hearing will be held on June 19, 2013, at 7:15 p.m. or as soon thereafter as feasible at the Vernal City Office located at 374 East Main Street in Vernal, Utah.

The Bonds will be issued pursuant to the Resolution and a Final Bond Resolution to be adopted authorizing and confirming the sale of the Bonds for the purpose of financing improvements to the Issuer's water system, including line replacements and related improvements (the "Project") and paying issuance expenses.

A draft of the Final Bond Resolution in substantially final form was before the City Council and was part of the Resolution at the time of its adoption by the City Council (collectively, the "Bond Resolutions"). The Final Bond Resolution is to be adopted by the City Council in such form and with such changes thereto as shall be approved by the City Council upon the adoption thereof; provided that the principal amount, interest rate or rates, maturity and discount of the Bonds will not exceed the maximums set forth above.

A copy of the Bond Resolutions are on file in the office of the City Manager/Recorder of the Issuer in Vernal, Utah, where they may be examined during regular business hours of the City Manager/Recorder from 8:00 a.m. to 5:00 p.m., Monday through Friday, for a period of at least 30 days from and after the last date of publication of this notice.

NOTICE IS FURTHER GIVEN that, for a period of 30 days from and after the last date of the publication of this notice, any person in interest shall have the right to contest the legality of the Bond Resolutions or 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 their county of residence, and that after such 30-day period, other than by referendum no one shall have any cause of action to contest the regularity, formality or legality thereof for any reason.

DATED: May 15, 2013.

/s/ Kenneth L. Bassett
City Manager/Recorder