

**EAGLE MOUNTAIN CITY
CITY COUNCIL MEETING
SEPTEMBER 17, 2013**

TITLE:	RESOLUTION – Consideration and Adoption of a Resolution of Eagle Mountain City, Utah (the “Issuer”), Establishing the Terms and Conditions of the Issuance of the Issuer’s Special Assessment Bonds (Assessment Area 2013-1), Series 2013 in the Total Principal Amount of Not to Exceed \$2,700,000 (the “Series 2013 Bonds”) and Related Matters.		
FISCAL IMPACT:	N/A		
APPLICANT:	Eagle Mountain City		
GENERAL PLAN DESIGNATION N/A	CURRENT ZONE N/A	ACREAGE N/A	COMMUNITY N/A

NOTICES:

- Posted in 2 public places
- Posted on City webpage
- Notice to newspapers

REQUIRED FINDINGS:

Vote: N/A

Prepared By: Fionnuala Kofoed City Recorder
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NOTES/COMMENTS:

RECOMMENDATION:

City staff recommends that the Council adopt a resolution establishing the terms and conditions for issuance of the bonds for Assessment Area 2013-1

BACKGROUND

The purpose of this resolution is to define the boundaries or parameters under which the special assessment bonds will be issued and to establish a pricing committee to make the final determination on the pricing of the bonds. This resolution goes hand-in-hand with the provisions of the assessment ordinance.

Eagle Mountain, Utah

September 17, 2013

The City Council (the "Council") of Eagle Mountain City, Utah (the "City"), met in regular public session at the regular meeting place of the Council in Eagle Mountain City, Utah on September 17, 2013, at the hour of 7:00 p.m., with the following members of the Council being present:

Heather Jackson	Mayor
Donna Burnham	Councilmember
John Painter	Councilmember
Ryan Ireland	Councilmember
Richard Steinkopf	Councilmember
Nathan Ochsenhirt	Councilmember

Also present:

Ifo Pili	City Administrator
Fionnuala Kofoed	City Recorder

AYE:

NAY:

The resolution was later signed by the Mayor and recorded by the City Recorder in the official records of Eagle Mountain City, Utah. The resolution is as follows:

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF EAGLE MOUNTAIN CITY, UTAH (THE "ISSUER"), ESTABLISHING THE TERMS AND CONDITIONS OF THE ISSUANCE OF THE ISSUER'S SPECIAL ASSESSMENT BONDS (ASSESSMENT AREA 2013-1), SERIES 2013 IN THE TOTAL PRINCIPAL AMOUNT OF NOT TO EXCEED \$2,700,000 (THE "SERIES 2013 BONDS"), FOR THE PURPOSE OF (A) FINANCING THE CONSTRUCTION AND INSTALLATION OF ROAD, SEWER, STORM WATER, CULINARY WATER AND RELATED IMPROVEMENTS IN THE EAGLE MOUNTAIN CITY, UTAH SUMMIT MOUNTAIN ASSESSMENT AREA 2013-1 (THE "ASSESSMENT AREA") (B) FUNDING A BOND FUNDED RESERVE FUND, (C) PROVIDING FOR CAPITALIZED INTEREST, AND (D) PAYING COSTS OF ISSUANCE OF SAID SERIES 2013 BONDS; AUTHORIZING THE EXECUTION BY THE ISSUER OF AN INDENTURE OF TRUST AND PLEDGE, A PURCHASE CONTRACT, AN OFFICIAL STATEMENT, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND RELATED MATTERS.

WHEREAS, on September 17, 2013, the City Council (the "Council") of Eagle Mountain City, Utah (the "Issuer"), adopted a resolution to designate an assessment area to be known as the "Eagle Mountain City, Utah Assessment Area 2103-1 (the "Assessment Area") for the purpose of financing the costs the construction and installation of road, sewer, storm water, culinary water and related improvements and related improvements, and to complete said improvements in a proper and workmanlike manner within the Assessment Area (collectively, the "Improvements"), including administrative and overhead costs, providing for capitalized interest, and the costs of funding a bond funded reserve fund pursuant to the Assessment Area Act, Title 11, Chapter 42, Utah Code Annotated 1953, as amended (the "Act"); and

WHEREAS, on September 17, 2013, the Council confirmed the list of properties to be assessed within the Assessment Area to finance the Improvements, and adopted an assessment ordinance (the "Assessment Ordinance") to levy assessments on benefited properties within the Assessment Area; and

WHEREAS, the Council desires to authorize the issuance and delivery of the Issuer's Special Assessment Bonds (Assessment Area 2013-1) Series 2013 in the total principal amount of not to exceed \$2,700,000 (the "Series 2013 Bonds") for the purposes set forth in the first whereas clause above, which Series 2013 Bonds shall be issued pursuant to the Act, this Resolution, and an Indenture of Trust and Pledge (the "Indenture"), between the Issuer and U.S. Bank National Association, as trustee (the

“Trustee”) in substantially the form presented to the meeting at which this Resolution was adopted and which is attached hereto as Exhibit B; and

WHEREAS, George K. Baum & Company (the “Underwriter”) is expected to offer to purchase the Series 2013 Bonds on the terms and conditions set forth in a Purchase Contract, by and between the Issuer and the Underwriter (the “Purchase Contract”) in substantially the form attached hereto as Exhibit C; and

WHEREAS, the Council desires to authorize the preparation, distribution, and use of the Preliminary Official Statement relating to the Series 2013 Bonds (the “Preliminary Official Statement”) in substantially the form attached hereto as Exhibit D, and to approve a final Official Statement (the “Official Statement”) in substantially the form of the Preliminary Official Statement with additions and modifications based on the final pricing of the Series 2013 Bonds; and

WHEREAS, the Series 2013 Bonds shall be payable from the assessments levied against certain benefited properties within the Assessment Area and other moneys pledged therefor in the Indenture, and shall not constitute or give rise to a general obligation or liability of the Issuer or constitute a charge against its general credit; and

WHEREAS, in order to allow the Issuer flexibility in setting the pricing date of the Series 2013 Bonds, the Council desires to grant to the Mayor or Mayor Pro Tem (collectively, the “Mayor”), the City Administrator (the “City Administrator”) or the Finance Director (the “Finance Director”) (the “Designated Officers”) of the Issuer the authority to approve the final interest rates, principal amounts, terms, maturities, redemption features, and purchase price at which the Series 2013 Bonds shall be sold, and any changes with respect thereto from those terms which were before the Council at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the “Parameters”).

NOW, THEREFORE, BE IT RESOLVED by the City Council of Eagle Mountain City, 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 delivery of the Series 2013 Bonds, are hereby ratified, approved, and confirmed.

Section 3. For purposes of (a) financing the costs of acquisition and construction of the Improvements, (b) funding the Bond Funded Reserve Account (as defined in the Indenture), (c) providing for capitalized interest, and (d) paying costs of issuance of the Series 2013 Bonds, the Issuer hereby authorizes the issuance of the Series 2013 Bonds in the aggregate principal amount of not to exceed \$2,700,000. The Series 2013 Bonds shall bear interest, shall be dated, shall be issued as fully registered bonds, and shall mature as provided in the Indenture. The Series 2013 Bonds shall mature in not

more than twenty (20) years from their date or dates, shall be sold at a price not less than ninety-seven percent (97%) of the total principal amount thereof, shall bear interest at a rate or rates not to exceed seven percent (7.0%) per annum, as shall be approved by the Designated Officers, all within the parameters set forth herein.

Section 4. The Indenture in substantially the form attached hereto as Exhibit B is in all respects hereby authorized and approved, and the Mayor and the City Recorder of the Issuer are hereby authorized and directed to execute and deliver the same on behalf of the Issuer.

Section 5. The Issuer hereby approves the sale of the Series 2013 Bonds to the Underwriter in accordance with the terms and conditions of the Purchase Contract in substantially the form attached hereto as Exhibit C, with the terms established by the Designated Officers. The Mayor and City Recorder of the Issuer are hereby authorized and directed to execute the Purchase Contract in substantially the form and with substantially the content as the form presented at this meeting and attached hereto as Exhibit C, for and on behalf of the Issuer, with final terms as may be established by the Designated Officers, within the Parameters set forth herein, and with such alterations, changes or additions as may be necessary or as may be authorized by herein.

Section 6. The Issuer hereby ratifies the preparation, distribution, and use of the Preliminary Official Statement in the form attached hereto as Exhibit D in the marketing of the Series 2013 Bonds and hereby approves the Official Statement in substantially the same form as the Preliminary Official Statement with additions and modifications to include the terms of the Series 2013 Bonds established by the Designated Officers. The Mayor is hereby authorized to execute the final Official Statement evidencing its acceptance by the Issuer.

Section 7. The form, terms, and provisions of the Series 2013 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Mayor and City Recorder of the Issuer are hereby authorized and directed to execute and seal the Series 2013 Bonds and to deliver said Series 2013 Bonds to the Trustee for authentication. The signatures of the Mayor and the City Recorder of the Issuer may be by facsimile or manual execution.

Section 8. The appropriate officials of the Issuer are hereby authorized and directed to execute and deliver to the Trustee the request and authorization of the Issuer for authentication and delivery of the Series 2013 Bonds in accordance with the provisions of the Indenture and Purchase Contract.

Section 9. Upon their issuance, the Series 2013 Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2013 Bonds and the Indenture. No provision of this authorizing resolution, the Indenture, the Series 2013 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.

Section 10. 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 authorizing resolution and the documents authorized and approved herein.

Section 11. After the Series 2013 Bonds are delivered to the Underwriter, and upon receipt of payment therefor, this authorizing resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the Series 2013 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture and this authorizing resolution.

Section 12. The form of the Indenture, the Purchase Contract, and the Official Statement authorized and approved hereby are authorized and approved with such additions, modifications, deletions, and changes thereto as may be deemed necessary or appropriate to conform the same to the final terms of the Series 2013 Bonds (within the Parameters set by this Resolution), to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Council or the provisions of the laws of the State of Utah or the United States, and execution thereof by the Mayor on behalf of the Issuer shall conclusively establish the necessity, appropriateness, and approval with respect to all additions, modifications, deletions, and changes incorporated therein.

Section 13. It is hereby declared that all parts of this authorizing resolution are severable, and if any section, clause, or provision of this authorizing resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, clause, or provision shall not affect the remaining sections, clauses, or provisions of this authorizing resolution.

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

Section 15. This authorizing resolution shall take effect immediately upon its approval and adoption.

PASSED AND APPROVED this September 17, 2013.

EAGLE MOUNTAIN CITY, UTAH

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
City Recorder

(Here follows other business not pertinent to the above.)

Pursuant to motion duly made and seconded, the meeting of the City Council of Eagle Mountain City, Utah, adjourned.

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
City Recorder

STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

I, Fionnuala Kofoed, the undersigned duly appointed qualified and acting City Recorder of Eagle Mountain City, Utah (the “City”), do hereby certify:

The foregoing pages are a true, correct, and complete copy of the record of proceedings of the City Council (the “City Council”), had and taken at a lawful meeting of the City Council on September 17, 2013, commencing at the hour of _____, as recorded in the regular official book of the proceedings of the City Council kept in my office, and said proceedings were duly had and taken as therein shown, and the meeting therein shown was duly held, and the persons therein were present at said meeting as therein shown.

All members of the City Council were duly notified of said meeting, pursuant to law.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City, this September 17, 2013.

(SEAL)

By: _____
 City Recorder

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Fionnuala Kofoed, the undersigned City Recorder of Eagle Mountain City, Utah (the "City"), do hereby certify, according to the records of the City 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 20, 2013, public meeting held by the City as follows:

(a) By causing a Notice in the form attached hereto as Schedule 1, to be posted at the City's principal offices on September ____, 2013, at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting; and

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to the Daily Herald on September ____, 2013, at least twenty-four (24) hours prior to the convening of the meeting; and

(c) On the Utah Public Notice Website (<http://pmn.utah.gov>).

In addition, the Notice of 2013 Annual Meeting Schedule for the City Council (attached hereto as Schedule 2) was given specifying the date, time, and place of the regular meetings of the City Council to be held during the year, by causing said Notice to be posted on _____, 20__, at the principal office of the City Council and by causing a copy of said Notice to be provided to at least one newspaper of general circulation within the City on _____, 20__.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this September 17, 2013.

(SEAL)

By: _____
City Recorder

SCHEDULE 1

NOTICE OF MEETING AND AGENDA

SCHEDULE 2

NOTICE OF ANNUAL MEETING SCHEDULE

EXHIBIT B

INDENTURE OF TRUST AND PLEDGE

(See Transcript Document No. ____)

EXHIBIT C

PURCHASE CONTRACT

(See Transcript Document No. ____)

EXHIBIT D

PRELIMINARY OFFICIAL STATEMENT

(See Transcript Document No. ____)