Midway, Utah

 November 18, 2021

The Board of Directors (the “Board”) of Heber Valley Special Service District, Utah (the “District”), met in regular session at 6:00 p.m. on November 18, 2021, with the following members present:

|  |  |
| --- | --- |
| Celeste Johnson | Chair |
| Steve Farrell | Boardmember |
| Heidi Franco | Boardmember |
| Mike Johnston | Boardmember |
| Brenda Kozlowski | Boardmember  |
| Kelleen Potter | Boardmember |

Also present:

|  |  |
| --- | --- |
| Dennis Gunn | General Manager |
| Tina Rodriguez | District Clerk |

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the District Clerk presented to the Board a Certificate of Compliance with Open Meeting Law with respect to this November 18, 2021, meeting, a copy of which is attached hereto as Exhibit A.

The following resolution was then introduced in written form, was fully discussed, and pursuant to motion duly made by Boardmember \_\_\_\_\_\_\_\_\_\_\_ and seconded by Boardmember \_\_\_\_\_\_\_\_\_\_\_\_\_ was adopted by the following vote:

AYE:

NAY:

The resolution is as follows:

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE DISTRICT BOARD OF DIRECTORS OF THE HEBER VALLEY SPECIAL SERVICE DISTRICT, UTAH (THE “ISSUER”), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN $23,000,000 AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2022; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE ISSUER THE AUTHORITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PROVIDING FOR THE PUBLICATION OF A NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD AND SETTING OF A PUBLIC HEARING DATE; AUTHORIZING AND APPROVING THE EXECUTION OF AN INDENTURE, A BOND PURCHASE AGREEMENT; 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; AND RELATED MATTERS.

WHEREAS, the District Board of Directors (the “Board”) of the Issuer desires to  finance the costs of construction of improvements and additions to the Issuer’s existing sewage treatment and collection system (the “System”) and all related improvements (the “Series 2022 Project”), (b) fund any necessary debt service reserve funds, and (c) pay costs of issuance with respect to the Series 2022 Bonds herein described; and

WHEREAS, to accomplish the purposes set forth in the preceding recital, and subject to the limitations set forth herein, the Issuer desires to issue its Sewer Revenue Bonds, Series 2022 (the “Series 2022 Bonds”) (to be issued from time to time as one or more series and with such other series or title designation(s) as may be determined by the Issuer), pursuant to the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Act”), this Resolution, and a General Indenture of Trust (the “General Indenture”), and a Supplemental Indenture (the “Supplemental Indenture” and together with the General Indenture, the “Indenture”), with such Indenture in substantially the form presented to the meeting at which this Resolution was adopted and which is attached hereto as Exhibit B; and

WHEREAS, the Act provides that prior to issuing bonds, an issuing entity must give notice of its intent to issue such bonds and hold a public hearing to receive input from the public with respect to (i) the issuance of the bonds and (ii) the potential economic impact that the improvement, facility or property for which the bonds pay all or part of the cost will have on the private sector; and

WHEREAS, the Issuer desires to call a public hearing for this purpose and to publish a notice of such hearing with respect to the Series 2022 Bonds, including a notice of bonds to be issued, in compliance with the Act; and

WHEREAS, there has been presented to the Board at this meeting a form of a bond purchase agreement (the “Bond Purchase Agreement”), in substantially the form attached hereto as Exhibit C to be entered into as required between the Issuer and the underwriter or the purchaser (the “Underwriter/Purchaser”) selected by the Issuer for any portion of the Series 2022 Bonds; and

WHEREAS, in order to allow the Issuer flexibility in setting the pricing date of the Series 2022 Bonds to optimize debt service costs to the Issuer, in the consultation with the Issuer’s Municipal Advisor, Zions Public Finance, Inc. (the “Municipal Advisor”), the Board desires to grant to any one of [the Chair (or any Chair Pro Tem or similarly authorized officer) or the General Manager] (each a “Designated Officer”) the authority to determine whether all or a portion of the Series 2022 Bonds should be sold pursuant to a private placement or a public offering; (b) approve the principal amounts, interest rates, terms, pledged revenues, maturities, redemption features, and purchase price at which the Series 2022 Bonds shall be sold; and (c) make any changes with respect thereto from those terms which were before the Board 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, it is hereby resolved by the District Board of Directors of the Heber Valley Special Service District, Utah, as follows:

#  For the purpose of financing the Series 2022 Project, (b) funding a deposit to a debt service reserve fund, if necessary, and (c) paying costs of issuance of the Series 2022 Bonds, the Issuer hereby authorizes the issuance of the Series 2022 Bonds which shall be designated “Heber Valley Special Service District, Utah, Sewer Revenue Bonds, Series 2022” (to be issued from time to time as one or more series and with such other series or title designation(s) as may be determined by the Issuer) in the aggregate principal amount of not to exceed $23,000,000 The Series 2022 Bonds shall mature in not more than twenty-one (31) years from their date or dates, shall be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, shall bear interest at a rate or rates of not to exceed five percent (5.00%) per annum, as shall be approved by the Designated Officers, all within the Parameters set forth herein.

#  The Designated Officers are hereby authorized to specify and agree as to the method of sale, the final principal amounts, terms, pledged revenues, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Series 2022 Bonds for and on behalf of the Issuer, provided that such terms are within the Parameters set by this Resolution. The Designated Officers are hereby authorized to select the Underwriter/Purchaser. The selection of the method of sale via a private placement or negotiated underwriting, the selection of the Underwriter/Purchaser and the determination of the final terms and redemption provisions for the Series 2022 Bonds by the Designated Officers shall be evidenced by the execution of a Bond Purchase Agreement if the Series 2022 Bonds are sold at a private or negotiated underwriting sale in substantially the form attached hereto as Exhibit C. The form of the Bond Purchase Agreement is hereby authorized, approved and confirmed.

#  The Indenture and the Bond Purchase Agreement in substantially the forms presented to this meeting and attached hereto as Exhibits B and C, respectively, are hereby authorized, approved, and confirmed. The Chair and District Clerk are hereby authorized to execute and deliver the Indenture and the Designated Officers are hereby authorized to execute and deliver the Bond Purchase Agreement in substantially the forms and with substantially the content as the forms presented at this meeting 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 Section 5 hereof.

#  The Designated Officers or other appropriate officials of the Issuer are authorized to make any alterations, changes or additions to the Indenture, the Series 2022 Bonds, the Bond Purchase Agreement, or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2022 Bonds (within the Parameters set by this Resolution), to conform to any applicable bond insurance or reserve instrument or to remove the same, 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 Board or the provisions of the laws of the State of Utah or the United States.

#  The form, terms, and provisions of the Series 2022 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Chair and the District Clerk are hereby authorized and directed to execute and seal the Series 2022 Bonds and to deliver said Series 2022 Bonds to the Trustee for authentication. The signatures of the Chair and the District Clerk may be by facsimile or manual execution.

#  The Designated Officers or other appropriate officials of the Issuer are hereby authorized and directed to execute and deliver to the Trustee the written order of the Issuer for authentication and delivery of the Series 2022 Bonds in accordance with the provisions of the Indenture.

#  Upon their issuance, the Series 2022 Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2022 Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2022 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.

#  The Designated Officers and other 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 (including, without limitation, any escrow agreement permitted under the Indenture and tax compliance procedures) and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

#  After the Series 2022 Bonds are delivered by the Trustee to the Underwriter/Purchaser and upon receipt of payment therefor, this Resolution shall be and remain irrepealable until the principal of, premium, if any, and interest on the Series 2022 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

#  The Issuer shall hold a public hearing on December 16, 2021 to receive input from the public with respect to the issuance of the Series 2022 Bonds issued under the Act, and the potential economic impact that the improvements to be financed with the proceeds of the Series 2022 Bonds issued under the Act will have on the private sector, which hearing date shall not be less than fourteen (14) days after notice of the public hearing is first published and such publication shall be made once in the Wasatch Wave, a newspaper of general circulation in the Issuer, on the Utah Public Notice Website created under Section 63F-1-701, Utah Code Annotated 1953, as amended, and on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended. The District Clerk shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the Heber Valley Special Service District offices, for public examination during the regular business hours of the Issuer until at least thirty (30) days from and after the last date of the newspaper publication thereof. The Issuer directs its officers and staff to publish a “Notice of Public Hearing and Bonds to be Issued” in substantially the following form:

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Act”), that on November 18, 2021, the District Board of Directors (the “Board”) of the Heber Valley Special Service District, Utah (the “Issuer”), adopted a resolution (the “Resolution”) in which it authorized the issuance of the Issuer’s Sewer Revenue Bonds, Series 2022 (the “Series 2022 Bonds”) (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Issuer), and called a public hearing to receive input from the public with respect to the issuance of that portion of the Series 2022 Bonds issued under the Act and any potential economic impact that the Project described herein to be financed with the proceeds of the Series 2022 Bonds issued under the Act may have on the private sector.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on December 16, 2021, at the hour of 6:00 p.m. at 1000 East Main Street, Midway, Utah. The purpose of the hearing is to receive input from the public with respect to the issuance of the Series 2022 Bonds issued under the Act and any potential economic impact that the Project to be financed with the proceeds of that portion of the Series 2022 Bonds issued under the Act may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE SERIES 2022 BONDS

The Series 2022 Bonds will be issued for the purpose of (a) financing the construction of improvements and additions to the Issuer’s existing sewage treatment and collection system (the “System”) and all related improvements (the “Series 2022 Project”), (b) funding any necessary debt service reserve funds, and (c) paying costs of issuance of the Series 2022 Bonds.

PARAMETERS OF THE SERIES 2022 BONDS

The Issuer intends to issue the Series 2022 Bonds in the aggregate principal amount of not more than Twenty-Three Million Dollars ($23,000,000), to mature in not more than twenty-one (21) years from their date or dates, to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, and bearing interest at a rate or rates not to exceed five percent (5.00%) per annum. The Series 2022 Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a General and a Supplemental Indenture (together, the “Indenture”) which were before the Board in substantially final form at the time of the adoption of the Resolution and said Indenture is to be executed by the Issuer in such form and with such changes thereto as shall be approved by the Issuer; provided that the principal amount, interest rate or rates, maturity, and discount of the Series 2022 Bonds will not exceed the maximums set forth above. The Issuer reserves the right to not issue the Series 2022 Bonds for any reason and at any time up to the issuance of the Series 2022 Bonds.

REVENUES PROPOSED TO BE PLEDGED

The Series 2022 Bonds are special limited obligations payable from all or any part of the revenues, fees, income, rents and receipts received or earned by the Issuer from or attributable to the ownership and operation of the System.

OUTSTANDING BONDS SECURED BY THE REVENUES

The Issuer currently has no parity bonds outstanding secured by the net revenues of the System.

OTHER OUTSTANDING BONDS OF THE ISSUER

Additional information regarding the Issuer’s outstanding bonds may be found in the Issuer’s financial report (the “Financial Report”) at: <http://secure.utah.gov/auditor-search/>. For additional information, including any information more recent than as of the date of the Financial Report, please contact, Dennis Gunn, General Manager at (435) 901-2257.

TOTAL ESTIMATED COST OF BONDS

Based on the Issuer’s current plan of finance for the Series 2022 Project and a current estimate of interest rates, the total principal and interest cost of the Series 2022 Bonds to be issued under the Act to finance the 2021 Project, if held until maturity, is $27,646,700.

A copy of the Resolution and the Indenture are on file in the office of the Heber Valley Special Service District, 1000 East Main Street, Midway, Utah, where they may be examined during regular business hours of the District Clerk from 7:00 a.m. to 3:00 p.m. Monday through Friday, 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 (i) any person in interest shall have the right to contest the legality of the Resolution, the Indenture (as it pertains to the Series 2022 Bonds), or the Series 2022 Bonds, or any provision made for the security and payment of the Series 2022 Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

DATED this November 18, 2021.

 /s/Tina Rodriguez

District Clerk

#  The Issuer hereby reserves the right to opt not to issue the Series 2022 Bonds for any reason, including without limitation, consideration of the opinions expressed at the public hearing.

#  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.

#  The Issuer hereby declares its intention and reasonable expectation to use proceeds of tax-exempt bonds to reimburse itself for initial expenditures for costs of the Series 2022 Project. The Series 2022 Bonds are to be issued, and the reimbursements made, by the later of 18-months after the payment of the costs or after the Project is placed in service, but in any event, no later than three years after the date the original expenditure was paid. The maximum principal amount of the Series 2022 Bonds which will be issued to finance the reimbursed costs of the Project is not expected to exceed $23,000,000.

APPROVED AND ADOPTED this November 18, 2021.

(SEAL)

By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Chair

ATTEST:

By:

 District Clerk

(Other business not pertinent to the foregoing appears in the minutes of the meeting.)

Upon the conclusion of all business on the Agenda, the meeting was adjourned.

(SEAL)

By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Chair

ATTEST:

By:

 District Clerk

STATE OF UTAH )
 : ss.
COUNTY OF WASATCH )

I, Tina Rodriguez, the duly appointed and qualified District Clerk of the Heber Valley Special Service District, Utah (the “Issuer”), do hereby certify according to the records of the District Board of Directors of the Issuer (the “District Board”) in my official possession that the foregoing constitutes a true and correct excerpt of the minutes of the meeting of the District Board held on November 18, 2021, including a resolution (the “Resolution”) adopted at said meeting as said minutes and Resolution are officially of record in my possession.

I further certify that the Resolution, with all exhibits attached, was deposited in my office on November 18, 2021, and pursuant to the Resolution, there was published a Notice of Public Hearing and Bonds to be Issued no less than fourteen (14) days before the public hearing date: once in the Wasatch Wave, a newspaper having general circulation within the Issuer, the affidavit of which publication will be attached upon availability, on the Utah Public Notice Website created under Section 63F‑1‑701, Utah Code Annotated 1953, as amended and on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said Issuer, this November 18, 2021.

(SEAL)

By:

District Clerk

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

I, Tina Rodriguez, the undersigned District Clerk of the Heber Valley Special Service District, Utah (the “Issuer”), do hereby certify, according to the records of the Issuer in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the November 18, 2021, public meeting held by the District Board of Directors of the Issuer (the “District Board”) as follows:

## By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the principal offices of the Issuer 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;

## By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to Wasatch Wave, at least twenty-four (24) hours prior to the convening of the meeting; and

## By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be posted on the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2021 Annual Meeting Schedule for the District Board (attached hereto as Schedule 2) was given specifying the date, time, and place of the regular meetings of the District Board to be held during the year, by causing said Notice to be posted on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, at the principal office of the District Board, provided to at least one newspaper of general circulation within the Issuer on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, and published on the Utah Public Notice Website (<http://pmn.utah.gov>) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this November `8, 2021.

(SEAL)

By:

District Clerk

SCHEDULE 1

NOTICE OF MEETING

SCHEDULE 2

ANNUAL MEETING SCHEDULE

(attach Proof of Publication of
Notice of Public Hearing and Bonds to be Issued)

EXHIBIT B

FORM OF INDENTURE

(See Transcript Document Nos. \_\_ and \_\_)

EXHIBIT C

FORM OF BOND PURCHASE AGREEMENT

(See Transcript Document No. \_\_)