

RESOLUTION NO. 19-21

**HYRUM CITY, UTAH
PARAMETERS RESOLUTION
SEWER REVENUE BONDS AND BOND ANTICIPATION NOTES
October 17, 2019**

A RESOLUTION APPROVING NOT MORE THAN \$3,000,000 SEWER REVENUE BONDS AND SEWER REVENUE BOND ANTICIPATION NOTES, CALLING A PUBLIC HEARING, AND ESTABLISHING THE MAXIMUM PRINCIPAL AMOUNT, INTEREST RATE, MATURITY AND DISCOUNT, 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 Hyrum City, Cache County Utah (the “Issuer”), has authority to issue its Sewer Revenue Bonds (the “Bonds”) and Sewer Revenue Bond Anticipation Notes (the “Notes”), each in an amount not to exceed \$3,000,000 for the municipal purposes set forth therein; and

WHEREAS, the Act provides for the publication of a Notice of Public Hearing and Bonds and Bond Anticipation Notes 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 Hyrum 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 \$3,000,000 aggregate principal amount of its Sewer Revenue Bonds (the “Bonds”) and Sewer Revenue Bond Anticipation Notes (the “Notes”) each to bear interest at the rate or rates of not to exceed four percent (4.0%) per annum, to mature in not more than forty (40) years from their date or dates for the Bonds and to mature in not more than three (3) years from their date or dates for the Notes, and each to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, the Bonds and Notes to be issued for the purpose of financing, in part, the costs of acquiring and constructing sewer system improvements, and related improvements (the “Project”), all pursuant to this Resolution and a resolution to be adopted by the Council authorizing and confirming the issuance and sale of the Bonds and/or Notes in substantially the form attached hereto as Exhibit A (herein referred to as the “Final Bond Resolution”), and the Council hereby declares its intention to issue the Bonds and/or Notes according to the provisions of this Section and the Final Bond Resolution, when adopted.

Section 2. The Issuer hereby calls a public hearing on November 21, 2019, at 6:30 p.m., or as soon thereafter as feasible, at the Hyrum City Council Chambers located

at 60 W. Main Street, Hyrum, Utah 84319, to invite comment on the proposed Bonds and Notes and the economic impact of the Project on the private sector.

Section 3. The Issuer hereby authorizes and approves the issuance of the Bonds and Notes pursuant to the provisions of this Resolution and the Final 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 Final Bond Resolution, provided that the principal amount, interest rate or rates, maturity and discount shall not exceed the maximums set forth in Section 1 hereof.

Section 4. In accordance with the Act, the City Recorder is hereby authorized and directed to cause a "Notice of Public Hearing and Bonds and Bond Anticipation Notes to be Issued," substantially in the form attached hereto as Exhibit B (the "Notice") 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 day prior to the Public Hearing, and, (3) to cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the Issuer's principal offices in Hyrum, Utah, for public examination during the regular business hours of the Issuer for at least thirty (30) days from and after the first date of publication of the Notice.

Section 5. This declaration is intended to be a declaration of official intent under Treasury Regulation § 1.103-18(1).

Section 6. The City Recorder of the Issuer is directed to complete and sign the Record of Proceedings attached hereto to officially record the proceedings at which this Resolution was considered for adoption.

Section 7. The Issuer hereby retains Eric Todd Johnson with Blaisdell, Church & Johnson, LLC, as bond counsel and directs its officials and staff to assist such professionals.

Section 8. 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.

APPROVED AND ADOPTED this October 17, 2019.

Stephanie Miller
Mayor

ATTEST:

Stephanie Fricke
City Recorder

EXHIBIT A

FINAL BOND RESOLUTION

(See Transcript Document No. __)

EXHIBIT B

NOTICE OF PUBLIC HEARING AND BONDS AND BOND ANTICIPATION NOTES 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, that on October 17, 2019, the City Council (the "Council") of Hyrum City, Utah (the "Issuer") adopted a resolution (the "Resolution") in which it authorized the issuance of the Issuer's Sewer Revenue Bonds (the "Bonds") and its Sewer Revenue Bond Anticipation Notes (the "Notes"), each in the aggregate principal amount of not to exceed \$3,000,000, to bear interest at the rate or rates of not to exceed four percent (4.0%) per annum, to mature in not more than forty (40) years from their date or dates for the Bonds and to mature in not more than three (3) years from their date or dates for the Notes, and each to be sold at a price not less than 98% 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 above, is approximately \$6,018,314. However, the Issuer has obtained a funding commitment for related to the Bonds in the amount of \$2,402,000 at the interest rate or rates of 2.75% per annum, in which case if the Bonds are held until the maximum maturity, based on the expected interest rate then the total cost to the Issuer for the proposed bonds would be approximately \$3,963,045. Presently, the Issuer has outstanding bonds secured by a pledge of sewer revenues in an amount not more than \$1,382,000. The United States Department of Agriculture, Rural Utilities Service has authorized a grant to the Issuer in the amount of \$1,569,000.

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 Bond Anticipation Notes and the economic impact that the improvements proposed to be financed with the Bonds and Bond Anticipation Notes will have on the private sector. The public hearing will be held on November 21, 2019, at 6:30 p.m., or as soon thereafter as feasible, at the Hyrum City Council Chambers at 60 W. Main Street, Hyrum, Utah 84319. As sewer revenue bonds and notes no taxes will be pledged to repay the Bonds or Notes.

The Bonds and Notes will be issued pursuant to the Resolution and a Final Bond Resolution related to the Bonds and a Note Resolution related to the Notes to be adopted authorizing and confirming the sale of the Bonds and Notes for the purposes of (i) financing the costs of acquiring and constructing Sewer system improvements, and related improvements, and (ii) paying the costs of issuing the Bonds and Notes.

A draft of the Final Bond Resolution and the Note Resolution in substantially final forms were before the Council and were part of the Resolution (collectively, the "Bond Resolutions") at the time of its adoption by the City Council. The Final Bond Resolution and Note Resolution will each be adopted by the Council in such form and with such changes thereto as shall be approved by the Council upon the adoption thereof;

provided that the principal amount, interest rate, maturity and discount of the Bonds and the Notes will not exceed the maximums set forth above.

A copy of the Bond Resolutions and information on the Issuer's outstanding bonds are on file in the office of the City Recorder of the Issuer at the Issuer's offices in Hyrum, Utah, where they may be examined during regular business hours of the City Recorder from 8:00 a.m. to 5:00 p.m. Monday through Friday for a period of at least thirty (30) days from and after the first date of publication of this notice.

NOTICE IS HEREBY GIVEN that a period of thirty (30) days from and after the first 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 Final Bond Resolutions, the Note Resolution or the Bonds or the Notes, or any provision made for the security and payment of the Bonds or the Notes by filing a verified written complaint in the District court of the county in which he/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 October 17, 2019.

/s/ Stephanie Fricke
City Recorder

EXHIBIT C

RECORD OF PROCEEDINGS

The City Council (the “City Council”) of the Issuer, met in public session at the regular meeting place of the City Council in Hyrum, Utah, on October 17, 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:

Stephanie Miller	Mayor
Kathy Bingham	Councilmember
Jared Clawson	Councilmember
Paul James	Councilmember
Craig Rasmussen	Councilmember
Steve Adams	Councilmember

Also present:

Stephanie Fricke	City Recorder
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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 Councilmember _____ and seconded by Councilmember _____, 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, Stephanie Fricke, the duly appointed and qualified City Recorder of 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 public meeting duly held on October 17, 2019 (the "Meeting"). 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 October 17, 2019 and is officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of the Issuer, this October 17, 2019.

(S E A L)

City Recorder

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

I, Stephanie Fricke, 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 October 17, 2019, public meeting held by the governing body of the Issuer as follows:

(a) By causing a notice, in the form attached hereto (the "Meeting Notice"), to be posted at the principal office of the Issuer 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 the Meeting Notice to be posted on the Utah Public Notice Website at least twenty-four (24) hours prior to the convening of 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 October 17, 2019.

City Recorder

(SEAL)

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

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