



# HURRICANE CITY UTAH

## City Council

*Joseph Prete  
Dave Sanders  
David Hirschi  
Kevin Thomas  
Doug Heideman*

**Mayor**

**City Manager**

Nanette Billings    Kaden DeMille

## Hurricane City Council Special Meeting Agenda

March 23, 2022

6:00 PM

City Council Chambers 147 N 870 W, Hurricane

Notice is hereby given that the City Council will hold a Special Meeting in the City Council Chambers 147 N 870 W, Hurricane, UT. [Meeting link to Webex](#) Meeting number: 2630 456 5376 Meeting password: HCcouncil Join from a video or application Dial 26304565376@cityofhurricane.webex.com. You can also dial 173.243.2.68 and enter your meeting number. Join by phone +1-415-655-0001 US Toll Access code:26304565376. A silent roll call will be taken, followed by the Pledge of Allegiance and prayer by invitation.

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### 6:00 p.m. - Call to Order

Pledge

Historical Thought

Prayer

### OLD BUSINESS

1. Consideration and possible approval of awarding the **bid to purchase and install bleachers at the Hurricane Equestrian Park** - Darren Barney
2. Consideration for adoption of a **resolution of the City Council of Hurricane City, Utah, providing for the creation of Sand Hollow Mesa Public Infrastructure District No. 1** as an independent body corporate and politic; authorizing and approving a governing document, an interlocal agreement, and a notice of boundary action; and related matters
3. Consideration for adoption of a **resolution of the City Council of Hurricane City, Utah, providing for the creation of Sand Hollow Mesa Public Infrastructure District No. 2** as an independent body corporate and politic; authorizing and approving a governing document, an interlocal agreement, and a notice of boundary action; and related matters
4. Consideration for adoption of a **resolution of the City Council of Hurricane City, Utah, providing for the creation of Sand Hollow Mesa Public Infrastructure District No. 3** as an independent body corporate and politic; authorizing and approving a governing document, an interlocal agreement, and a notice of boundary action; and related matters

5. Consideration for adoption of a **resolution of the City Council of Hurricane City, Utah, providing for the creation of Bench Lake Public Infrastructure District** as an independent body corporate and politic; authorizing and approving a governing document, an interlocal agreement, and a notice of boundary action; and related matters

## **NEW BUSINESS**

1. Consideration and possible approval of **awarding the bid for the Sand Hollow well**
2. Consideration and possible approval of a **resolution appointing Nanette Billings to the Hurricane Valley Fire District Board**
3. **Executive Session**

## **Adjournment**

I hereby certify that the above notice was posted to the city website, ([www.cityofhurricane.com](http://www.cityofhurricane.com)) posted to the state public notice website, and at the following locations:

1. City office – 147 North 870 West, Hurricane, UT
  2. The Post Office – 1075 West 100 North, Hurricane, UT
  3. The library – 36 South 300 West, Hurricane, UT
- \_\_\_\_\_ for the City Recorder

Mayor and City Council,

A few weeks ago, I presented to you a proposal for the bleachers at the equestrian park. Shortly after we ordered them, Park Warehouse contacted us and said they had made a mistake on their proposal. The proposal, even though it showed two, was for only one set of bleachers. In our request for proposals, we had requested a price for two sets.

We put pressure on them to honor their proposal, but they said there was no way they could. They instead submitted a new proposal for two sets of bleachers and discounted the proposal an additional \$20,242.26.

Below is a summary of the two proposals.

Proposal approved by City Council on March 3, 2022	\$182,946.13 (one set of bleachers)
What proposal should have been	\$365,892.26 (two sets of bleachers)
<b>New Proposal from Park Warehouse</b>	<b>\$345,650.00 (two sets of bleachers)</b>

The new proposal is an additional savings of \$20,242.26 over what the original proposal should have been if they had quoted two sets of bleachers.

When we were putting cost estimates together for this project, the closest quote we got from a different company was \$495,320.00.

Based on this information, we feel like this new proposal from Park Warehouse in the amount of \$345,650.00 is a significant savings to the city.

Thanks,

Darren Barney



**Park Warehouse LLC**  
 7495 W. Atlantic Ave., Suite #200-294  
 Delray Beach, FL 33446  
 888-321-5334

**Quality Commercial Site Furnishings for  
 Municipalities, Schools & Property Managers**

**Billing**

Darren Barney  
 City of Hurricane  
 147 N 870 W  
 Hurricane, UT 84737  
 Phone: 4356350665

**Shipping**

Darren Barney  
 City of Hurricane  
 147 N 870 W  
 Hurricane, UT 84737

# Quote: Q253071

**Quote Date**      Quote      Expiration  
 March 8, 2022      (03/28/2022)

**Sales Rep:** Rose x520  
**Ref#:**

**\$345,650.00**  
 If you receive a lower quote, please remember our  
 best price guarantee!

Description	SKU	Cost	Qty	Total
335 Series - Bleacher Product 1 - Special <b>Non-elevated 15 row x 139'-6"</b> <b>bleacher::</b> Net seating capacity 1173 + 12 ADA seats per unit. Aluminum angle understructure with 8" Rise / 24" Run 2 x 10 anodized aluminum seat plank with poly end caps Double 2 x 10 mill finish aluminum foot plank with aluminum end caps 1 x 6 riser rows 2 - 14 and (2) 1 x 6 top row risers mill finish (4) 4'-6" wide vertical aisle with mid aisle handrail Chain link guardrail system 12 Wheel chair spaces Concrete wedge anchors SUBMITTALS REQUIRED	335-SPCL-BLEACHER-4	\$125,500.00	2	\$251,000.00
Bleacher Installation	105-INSTALL	\$29,550.00	2	\$59,100.00
Subtotal				\$310,100.00
Shipping				\$35,550.00
Total				<b>\$345,650.00</b>



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**Quote Note:** Bleachers ship knocked down, assembly required. Bleachers ship in bundles. Hardware is boxed separately and must be received and noted in your bill of lading. Please inspect and note any and all damages at the time you receive the bleachers. Thanks for the opportunity to do business! Bleachers ship knocked down, assembly required. Bleachers ship in bundles. Hardware is boxed separately and must be received and noted in your bill of lading. Please inspect and note any and all damages at the time you receive the bleachers. Thanks for the opportunity to do business! Economical mill finish foot plank and risers have been specified on this quote. NRS will not be responsible for discoloration or staining (dark black, brown, or white residue) resulting from unavoidable condensation that occurs during packing, transporting and storage, preceding and/or during installation. Removal of these stains or replacement of boards upon completion of installation is not part of this contract because stained mill finish boards meet all specified requirements. A clear anodized finish may be quoted at an additional cost to avoid potential discoloration or staining.



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 7495 W. Atlantic Ave., Suite #200-294  
 Delray Beach, FL 33446  
 888-321-5334

**Quality Commercial Site Furnishings for  
 Municipalities, Schools & Property Managers**

**SHIPPING:**

All merchandise is sold F.O.B. Deliveries are made during normal business hours, 8am - 4pm Monday - Friday.

• Standard shipping charges are for Tailgate delivery to any commercial location on a commercial truck route.

• The truck driver is under no obligation to help you unload.

• If you are unable to accept a shipment via this method you must purchase additional services.

(Additional Services Available: Residential Delivery, Limited Access Delivery, Liftgate Service, Inside Delivery, Construction Site Delivery, Notify Before Delivery)

\_\_\_\_\_  
 Customer Initials

**SERVICE DISCREPENCIES:**

If there is a discrepancy in the services requested and the minimum services required to deliver the product (either before or after delivery of product), Park Warehouse reserves the right to charge the customer for any necessary additional services provided at the time of delivery.

\_\_\_\_\_  
 Customer Initials

**INSPECTION OF SHIPMENTS (OR DAMAGED PRODUCT):**

It is the customers responsibility to verify the delivery is for the correct product, count the number of pieces being delivered, and inspect for damages

• All claims of damage MUST be recorded on the delivery receipt provided by the delivery driver at the time of delivery and reported to us within 48 hours of delivery.

• Park Warehouse does NOT GUARANTEE replacement parts or product FREE of charge due to concealed or unreported damages

\_\_\_\_\_  
 Customer Initials

**CANCELLATIONS:**

All cancellations must be done in writing prior to shipping. Made-to-Order items already in production may not be cancelled. Any order placed by credit card in excess of \$1000 and cancelled after the close of business on the day the order was placed shall incur a fee of 5%.

\_\_\_\_\_  
 Customer Initials

**RETURNS:**

• We will accept returns of unused products up to 30 days from shipping date subject to ALL of the following terms and conditions:

• Written approval: You must receive written approval and utilize the instructions issued by our Customer Service Department before any merchandise can be returned.

• Shipping Returns: All merchandise must be returned in its original packaging, freight Prepaid. No Collect shipments are accepted.

• Re-Stocking & Shipping Fees: The customer is responsible for a minimum 25% re-stocking fee and all related shipping charges on product returned for reasons other than damage or defect. Original shipping charges will not be refunded.

\_\_\_\_\_  
 Customer Initials

\* Web-Orders: For online orders, Park Warehouse is not responsible if customer orders incorrect product or colors. All return and restock fees apply.

\* Assembly Usually Required. Many of our products are shipped unassembled in order to minimize damage and lower freight charges.

\* **Made-to-Order or Personalized items are not returnable unless a defect in manufacturing is presented to us with pictures prior to return.**

\* **Unless Otherwise noted, shipping charges include standard delivery only. Liftgate service, notify before delivery available at additional cost.**

**\* Ship date will be emailed to you. Ship dates are based on raw material availability and production time and can fluctuate. We appreciate your patience as we are fulfilling orders as quickly as possible. AND NOTE- DUE TO FLUCTUATIONS AND UNCERTAINTY OF RAW MATERIAL COSTS, THIS QUOTE IS VALID FOR 14 DAYS ONLY. ANY LEAD TIMES QUOTED ARE ESTIMATES AND MAY CHANGE DUE TO VOLATILITY AND DEMAND OF RAW MATERIALS.**

\* Force Majeure: No Party to this Agreement shall be responsible for any delays or failure to perform any obligation under this Agreement due to acts of God, outbreaks, epidemic/pandemic or the spreading of disease or contagion strikes or other disturbances, including, without limitation, war, insurrection, embargoes, governmental restrictions, acts of governments or governmental authorities, and any other cause beyond the control of such party. During an event of force majeure, the Parties' duty to perform obligations shall be suspended.

To accept this proposal, please sign below and initial each section above.

\_\_\_\_\_  
 Signature of Authorized Person

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Print Name

\* By signing you are placing a binding order and agree to the terms of the sale as stated herein.

**Quote#:**

Q253071

**Total:**

\$345,650.00

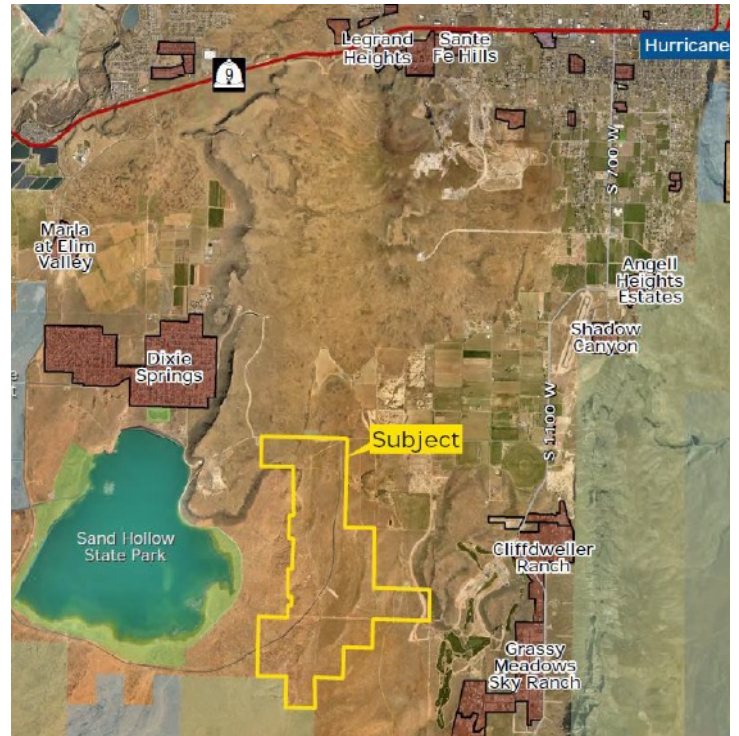
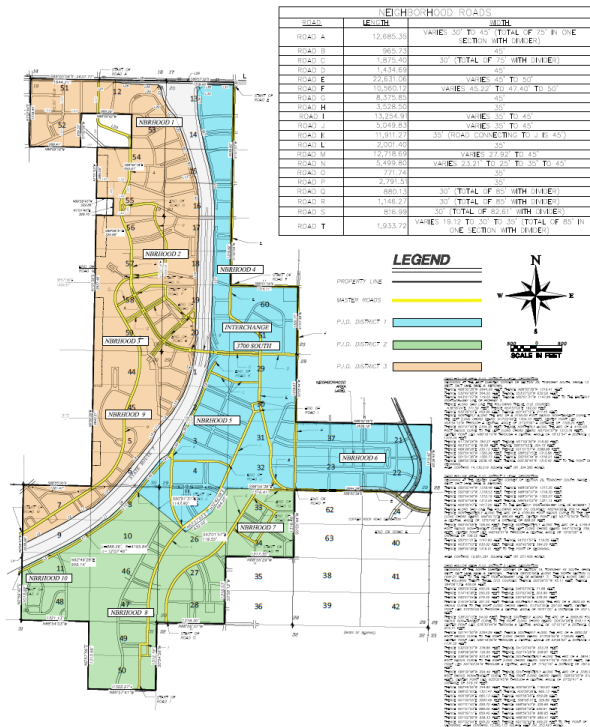
**Terms:**

Credit Card

# SAND HOLLOW MESA PIDS #1-3

The proposed Sand Hollow Mesa Public Infrastructure Districts are a practical funding alternative that enables Public Improvements not otherwise feasible for the anticipated Sand Hollow development

## Annexation Boundary & Location



## Governing Document Overview

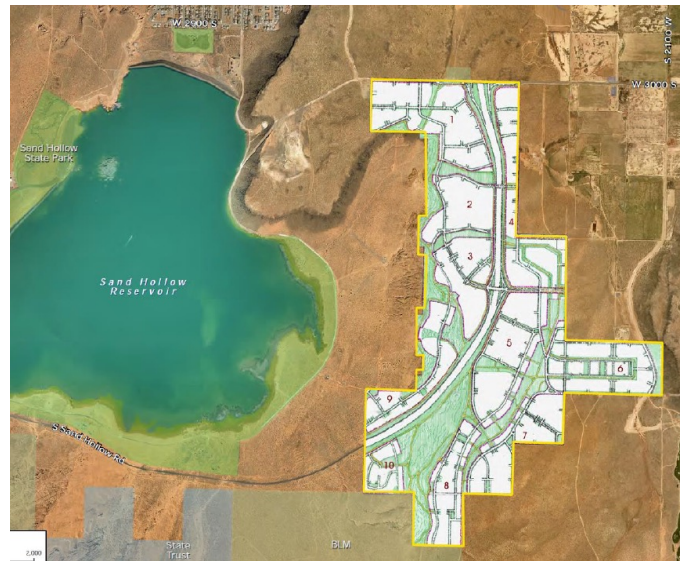
Governing Documents for the proposed Sand Hollow Mesa PIDs #1-3 have been reviewed by the City Staff and submitted for the consideration of the Council. The Governing Document requests the city approve the following\*:

<b>Maximum Tax Rate</b>	4.5 Mills
<b>Maximum Debt Limit</b>	\$150 million
<b>Pre-Requisite Infrastructure</b>	Certain infrastructure must be financed before the PID and fund any other infrastructure improvements
<b>Governing Board</b>	Composed of 3 Trustees initially appointed by the City Council with staggered terms of 4-6 years. Board seats shall then transition from appointed to elected seats as the number of residents grow in the project
<b>Oversight</b>	The City's Bond Counsel (Gilmore & Bell) and the City's Municipal Advisor (Zions Public Finance) will be engaged by the District to ensure proper issuance and compliance with the Governing Document
<b>Disclosure Requirements</b>	Match the Gateway at Sand Hollow PIDs which we presented in the last work session. The following language will be included in a brightly colored page:  <i>"Under the maximum property tax rate of the District, for every \$100,000 of taxable value, there would be an additional annual property tax of \$450 for the duration of the District's Bonds."</i>
<b>Prerequisite Improvements</b>	Certain prerequisite improvements will be prioritized by the city as defined in the Governing Document

Note: For full details on the proposed boundaries, proposed powers, improvements and services, governance, financial plan, and other defined aspects of the proposed PID see the "Governing Documents for Sand Hollow Mesa PID No. 1"

# Conceptual Masterplan

- ~930-acre Master Planned Community, located along State Route 7, just east of Sand Hollow Reservoir in Hurricane, UT, planned to feature a total of ~3,660 new dwelling units and 130.6 acres of commercial development across ten mixed-use neighborhoods. The proposed development would be completed over three phases which have been outlined below
- The ultimate objective of the development is to respect and preserve the character of the historic City of Hurricane, while also addressing the growth of Washington County



## Planned Infrastructure (Made Possible by Limited Tax PID)

- **Master Planned Public Trails** – 9.2 miles of public trails trailheads, parking and restrooms with drinking facilities. The main trails connecting the Project to adjacent properties and trail systems would be 12' wide. Cost is \$8,440,000
- **UDOT Approved Interchange** – A UDOT approved and designed interchange at 3700 South Street, including two trails, one 12' and one 5', and two separate bike lanes. Cost is \$9,500,000
- **Public Utilities** – Dedications and improvements related to public utilities within the property. Cost is \$40,000,000
- **City Parks & Open Spaces** – Dedication and improvement of city parks and open spaces of at least 72 acres of the 279 acres of open space planned for the project. Includes potential for public fishing pond. Cost is \$9,500,000
- **Public Safety Building** - \$4,000,000 to be allocated to the construction by the City of a public safety building to house fire and/or police services located within the Project.
- **Eco-Friendly Irrigation System** – Dedications and improvements required for a secondary irrigation system that would meet Governor Cox's proposed water conservation plan to utilize as little water as possible in public spaces throughout the property. Cost is \$10,274,000
- **Master Planned Public Roadways** – All master planned public roadways depicted on the City's most recent master road plan, including sidewalks and curb/gutter as required by City standards. Cost is \$41,324,000
- **TOTAL COST - \$126,500,000**

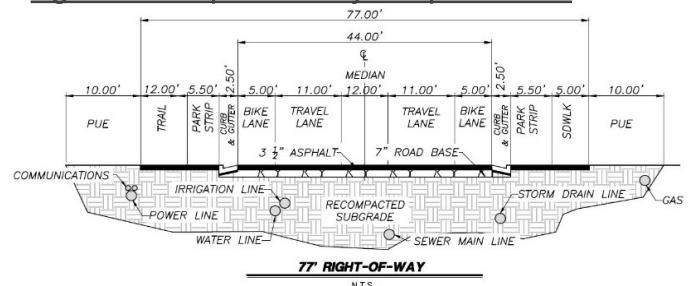
Figure 1: Example Interchange



Figure 2: Example Public Safety Building



Figure 3: Example Roadway & Improvements



Note: Typical section will include all public facilities to necessitate full build-out of this road

**GOVERNING DOCUMENT  
FOR  
SAND HOLLOW MESA PUBLIC INFRASTRUCTURE DISTRICT NO. 1  
HURRICANE CITY, UTAH**

**March 23, 2022**

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LIST OF EXHIBITS

<b>EXHIBIT A</b>	Initial District Boundary Map, Annexation Area Boundary Map, Legal Descriptions
<b>EXHIBIT B</b>	Trails Plan
<b>EXHIBIT C</b>	Open Space Plan
<b>EXHIBIT D</b>	Proposed Scope of Financing for Each of the Districts
<b>EXHIBIT E</b>	Interlocal Agreement between the District and Hurricane City

## I. INTRODUCTION

### A. Purpose and Intent.

The District is an independent unit of local government, separate and distinct from the City, and, except as may otherwise be provided for by State or local law or this Governing Document, its activities are subject to review by the City only insofar as they may deviate in a material matter from the requirements of the Governing Document. It is intended that the District will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements. The District is not being created to provide any ongoing operations and maintenance services.

### B. Need for the District.

There are currently no other governmental entities, including the City, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

### C. Objective of the City Regarding District's Governing Document.

The City's objective in approving the Governing Document for the District is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the District. All Debt is expected to be repaid by taxes imposed and collected for no longer than the Maximum Debt Mill Levy Imposition Term and at a tax mill levy no higher than the Maximum Debt Mill Levy for all commercial and residential properties. Debt which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Governing Document is intended to establish a limited purpose for the District and explicit financial constraints that are not to be violated under any circumstances. The primary purpose is to provide for the Public Improvements associated with development and regional needs. Although the District has authority to directly provide public improvements, the District also has the authority to pledge tax revenues to an interlocal entity that provides public improvements.

It is the intent of the District to dissolve upon payment or defeasance of all Debt incurred or upon a determination that adequate provision has been made for the payment of all Debt.

The District shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from tax revenues collected from a mill levy which shall not exceed

the Maximum Debt Mill Levy on taxable properties and which shall not exceed the Maximum Debt Mill Levy Imposition Term on taxable properties. It is the intent of this Governing Document to assure to the extent possible that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy in amount and that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy Imposition Term in duration even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters are not costs to be paid by the District.

## **II. DEFINITIONS**

In this Governing Document, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Annexation Area Boundaries: means the boundaries of the area described in the Annexation Area Boundary Map which have been approved by the City for annexation or withdrawal from or into one of the Districts upon the meeting of certain requirements.

Annexation Area Boundary Map: means the map depicting the Annexation Area Boundaries attached hereto as **Exhibit A**, describing the property proposed for annexation within the District.

Approved Development Plan: means a Preliminary Development Plan or other process established by the City for identifying, among other things, Public Improvements necessary for facilitating development for property within the District Area as approved by the City pursuant to the City Code and as amended pursuant to the City Code from time to time. For purposes of this Governing Document, the Master Plan / PDO Concept Submittal dated January 14, 2021, as approved by the City on March 4, 2021, shall constitute an Approved Development Plan.

Board: means the board of trustees of the District.

Bond, Bonds or Debt: means bonds or other obligations, including loans of any property owner, for the payment of which the District has promised to impose an ad valorem property tax mill levy.

City: means Hurricane City, Utah.

City Code: means the City Code of Hurricane City, Utah.

City Council: means the City Council of Hurricane City, Utah.

District: means the Sand Hollow Mesa Public Infrastructure District No. 1.

District Area: means the property within the Initial District Boundary Map and the Annexation Area Boundary Map.

Districts: means collectively, the District, Sand Hollow Mesa Public Infrastructure District No. 2, and Sand Hollow Mesa Public Infrastructure District No. 3, contemplated to be created contemporaneously with one another.

End User: means any owner, or tenant of any owner, of any taxable improvement within the District, who is intended to become burdened by the imposition of ad valorem property taxes subject to the Maximum Debt Mill Levy. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an End User. The business entity that constructs homes or commercial structures is not an End User.

Fees: means any fee imposed by the District for administrative services provided by the District.

Financial Plan: means the Financial Plan described in Section VIII which describes (i) the potential means whereby the Public Improvements may be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

General Obligation Debt: means a Debt that is directly payable from and secured by ad valorem property taxes that are levied by the District and does not include Limited Tax Debt.

Governing Document: means this Governing Document for the District approved by the City Council.

Governing Document Amendment: means an amendment to the Governing Document approved by the City Council in accordance with the City's ordinance and the applicable state law and approved by the Board in accordance with applicable state law.

Initial District Boundaries: means the boundaries of the area described in the Initial District Boundary Map.

Initial District Boundary Map: means the map depicting the Initial District Boundaries attached hereto as **Exhibit A**, describing the District's initial boundaries.

Limited Tax Debt: means a debt that is directly payable from and secured by ad valorem property taxes that are levied by the District which may not exceed the Maximum Debt Mill Levy.

Local District Act: means Title 17B of the Utah Code, as amended from time to time.

Maximum Debt Mill Levy: means the maximum mill levy the District is permitted to impose for payment of Debt as set forth in Section VIII.C below.

Maximum Debt Mill Levy Imposition Term: means the maximum term for imposition of a mill levy for any given series of bonds as set forth in Section VIII.D below.

Municipal Advisor: means a consultant that: (i) advises Utah governmental entities on matters relating to the issuance of securities by Utah governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be an individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (iii) is not an officer or employee of the District.

Project: means the development or property commonly referred to as the Sand Hollow Mesa Project.

PID Act: means Title 17D, Chapter 4 of the Utah Code, as amended from time to time and any successor statute thereto.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as generally described in the Local District Act, except as specifically limited in Section V below to serve the future taxpayers and inhabitants of the District Area as determined by the Board.

Regional Improvements: means Public Improvements and facilities that benefit the District Area and which are to be financed pursuant to Section VII below.

State: means the State of Utah.

Taxable Property: means real or personal property within the District Area subject to ad valorem taxes imposed by the District.

Trustee: means a member of the Board.

Utah Code: means the Utah Code Annotated 1953, as amended.

### **III. BOUNDARIES**

The area of the Initial District Boundaries includes approximately three hundred twenty-four (324.285) acres and the total area proposed to be included in the Annexation Area Boundaries is approximately nine hundred twenty-nine (929.217) acres and includes all property within the District as well as an additional approximately six hundred four (604.832) acres. Maps of the Initial District Boundaries and Annexation Area Boundaries, and legal descriptions of the Initial District Boundaries and the Annexation Area Boundaries are attached hereto together as **Exhibit A**. It is anticipated that the District's boundaries may change from time to time as it undergoes annexations and withdrawals pursuant to Section 17B-4-201, Utah Code, subject to Article V below.

### **IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION**

The District Area consists of approximately nine hundred twenty-nine (929.217) acres of mostly undeveloped land. The current assessed valuation of the District Area at build out, is

expected to be sufficient to reasonably discharge the Debt under the Financial Plan. The population of the District Area at build-out is estimated to be approximately 9,000 people.

Approval of this Governing Document by the City does not imply approval of the development of a specific area within the District, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Governing Document or any of the exhibits attached thereto, unless the same is contained within an Approved Development Plan.

## V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES

### A. Powers of the District and Governing Document Amendment.

The District shall have the power and authority to provide the Public Improvements within and without the boundaries of the District as such power and authority is described in the Local District Act, and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein.

1. Improvements. The District shall have authority to provide for the planning, design, acquisition, construction, installation, and dedication to the City or other appropriate public agencies of the Public Improvements within and without the boundaries of the District. Plans for all Public Improvements to be financed must be reviewed and approved by the City and other appropriate public service entity through established review processes prior to commencement of construction. The District is authorized to finance the following improvements (the “Pre-Requisite Improvements”), prioritized as follows, and as generally depicted in or required by the Approved Development Plan:

(a) *UDOT Approved Interchange.* A UDOT approved and designed interchange at 3700 South Street, including two trails, one 12' and one 5', and two separate bike lanes. Estimated total cost \$9,500,000.

(b) *Master and Regional Utility Improvements.* Dedications and improvements related to master-planned public utilities within the property and regional improvements to service the property. Estimated total cost \$40,000,000.

(c) *Master Planned Public Roadways.* All master planned public roadways depicted on the City’s most recent master road plan, including sidewalks, shared-use paths/trails, and curb/gutter as required by City standards, as depicted in yellow on the Initial District Boundary Map, and as listed in the Table of Master Planned Roads, attached hereto as **Exhibit A**. Estimated total cost \$41,324,000.

(d) *Public Safety Building.* Construction by the City of a public safety building to house fire and/or police services located within the Project, in a location and of a design to be approved by the City. When funding for the building is obtained, funds will be provided directly to the City and/or the Hurricane Valley Fire District in return for a commitment that funds will only be

used for the purposes authorized herein. The District will notify the City and Hurricane Valley Fire District in advance of the anticipated timing of financing for the public safety building, and if the City and District prefer, will defer financing to be issued later by another of the Districts. Estimated total cost \$5,000,000.

(e) *Trails and Related Improvements.* 9.2 miles of public trails, trailheads, parking and restrooms with drinking facilities. The main trails connecting the Project to adjacent properties and trail systems would be 12' wide. The locations of public trails to be financed are depicted generally on the Trails Plan map, a copy of which is incorporated into **Exhibit B**. Estimated total cost \$8,440,000.

(f) *City Parks and Public Open Space.* Dedication and improvement of city parks and open spaces of at least 72 acres of the 279 acres of open space planned for the project. The 72 acres will be of developable land, and 51 of the 72 acres will be improved as active or programmable park spaces (the remaining approximately 21 acres would be passive park space). Conditioned on availability of required permits, one of the city parks will include a public fishing pond. Other improvements to programmable park space will be as proposed by developer and approved by City staff. The locations of public parks and open space to be financed are depicted generally on the Open Space map, a copy of which is incorporated into **Exhibit C**. Estimated total cost \$9,500,000.

(g) *Secondary Irrigation System.* Dedications and improvements required for a secondary irrigation system that would meet Governor Cox's proposed water conservation plan to utilize as little water as possible in public spaces throughout the property. Estimated total cost \$10,274,000.

It is anticipated that the Districts together will have the capacity to finance the Pre-Requisite Improvements. **Exhibit D** provides one possible approach to dividing the costs of the Pre-Requisite Improvements between the Districts; however, the final division of costs to be financed between the Districts will be determined by the Boards of the Districts based on final development phasing and bond market conditions.

In the event that the financing capacity of the Districts together, including all property annexed into each District, is not sufficient to fully finance all of the Pre-Requisite Improvements, then the Districts will obtain what financing it can for the Pre-Requisite Improvements, and with said financing will either (a) complete such Pre-Requisite Improvements as can be completed with available financing, as said improvements are prioritized by the City; (b) dedicate the funds obtained by said financing toward the cost of completion of the Pre-Requisite Improvements by the City or other appropriate public utility agency(ies); or (c) some combination of (a) and (b), as agreed by the City.

The Pre-Requisite Improvements may be funded either through issuance of bonds or other sources of funds (such as developer contributions), but must be fully funded before other non-Pre-Requisite Improvements are financed through the Districts.

Any impact fee reimbursements or credits which become available due to the financing of public improvements by the Districts shall be for the benefit of the Districts and not any developer.

In the event that the Pre-Requisite Improvements are fully funded, and additional PID funds are still available, then said funds may be applied to additional Public Improvements approved by the City Council on a case-by-case basis.

2. Operations and Maintenance Limitation. The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. The District shall dedicate the Public Improvements to the City or other appropriate public entity or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. Trails which are interconnected with a city or regional trail system shall be open to the public free of charge and on the same basis as residents and owners of taxable property within the District.

3. Improvements Limitation. Notwithstanding the provisions of Section V.A.1 and 2 above, without written authorization of the City, the District shall not be authorized to finance the costs of any improvements or facilities which are to be ultimately owned by one of the Districts.

4. Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work. City performance security requirements will be satisfied by depositing funds in a joint escrow account from which withdrawals require City staff approval, or other mechanism as may be reasonably acceptable to the City.

5. Procurement. The District shall be subject to the Utah Procurement Code, Title 63G, Chapter 6a. Notwithstanding this requirement, the District may acquire completed or partially completed improvements for fair market value as reasonably determined by a surveyor or engineer employed or selected by the District, with the approval of the City, which approval shall not be unreasonably withheld. Prior to awarding any bid for construction of Public Improvements, the intended award shall be reviewed and approved by the City Engineer or his designee. The District recognizes that it may be required to compensate the City for the time of any City employee or contractor required to perform such review.

6. Privately Placed Debt Limitation. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of a Municipal Advisor substantially as follows:

We are [I am] a Municipal Advisor within the meaning of the District's Governing Document.

We [I] certify that (1) the net effective interest rate to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

7. Annexation and Withdrawal.

(a) The District shall not include within any of its boundaries any property outside the District Area without the prior written consent of the City. The City, by resolution and this Governing Document, has consented to the annexation of any area within the Annexation Area Boundaries into the District. Such area may only be annexed upon the District obtaining consent of all property owners and registered voters, if any, within the area proposed to be annexed and the passage of a resolution of the Board approving such annexation.

(b) The City, by resolution and this Governing Document, has consented to the withdrawal of any area within the District Boundaries from the District. Such area may only be withdrawn upon the District obtaining consent of all property owners and registered voters, if any, within the area proposed to be withdrawn and the passage of a resolution of the Board approving such annexation.

(c) Any annexation or withdrawal shall be in accordance with the requirements of the PID Act.

(d) Upon any annexation or withdrawal, the District shall provide the City a description of the revised District Boundaries.

(e) Annexation or withdrawal of any area in accordance with V.A.6(a) and (b) shall not constitute an amendment of this Governing Document.

8. Overlap Limitation. The District shall not impose aggregate mill levy for payment of Debt that exceeds the Maximum Debt Mill Levy of the District. The District shall not consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the District unless the aggregate mill levy for payment of Debt of such proposed districts will not at any time exceed the Maximum Debt Mill Levy of the District, or unless such other district is approved by the City.

9. Initial Debt Limitation. On or before the effective date of approval by the City of an Approved Development Plan, the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds.

10. Total Debt Issuance Limitation. The Districts shall not issue Debt in excess of an aggregate amount of One Hundred Sixty Million Dollars (\$160,000,000). This amount excludes any portion of bonds issued to refund a prior issuance of debt by any of the Districts. In

addition, the Total Debt Issuance Limitation does not apply to the District's pledge of its property tax revenues to the Debt of one of the other Districts. In the event two or more Districts create an interlocal agency to issue debt, only the par amount issued by such agency shall count against the Total Debt Issuance Limitation rather than the individual amounts pledged by each District.

11. Eminent Domain. In no event shall any District have authority to exercise eminent domain or utilize any funds of the District to support any eminent domain action or proceeding without the prior approval of the City Council.

12. Bankruptcy Limitation. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, Maximum Debt Mill Levy Imposition Term and the Fees have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17D-4-201(5), Utah Code. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and

(b) Are, together with all other requirements of Utah law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Governing Document and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Governing Document Amendment.

13. Governing Document Amendment Requirement.

(a) This Governing Document has been designed with sufficient flexibility to enable the District to provide required facilities under evolving circumstances without the need for numerous amendments. Actions of the District which violate the limitations set forth in V.A.1-9 above or in VIII.B-G. shall be deemed to be material modifications to this Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

(b) Subject to the limitations and exceptions contained herein, this Governing Document may be amended by passage of a resolutions of the City and the District approving such amendment.

B. Preliminary Engineering Survey.

The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of the District, to be more specifically defined

in an Approved Development Plan. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the District Area and is approximately One Hundred Twenty-seven Million Dollars (\$127,000,000).

All of the Public Improvements will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the City and/or any other applicable public entity and shall be in accordance with the requirements of the Approved Development Plan. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

## **VI. THE BOARD OF TRUSTEES**

A. Board Composition. The Board shall be composed of 3 Trustees who shall be appointed by the City Council pursuant to the PID Act. Trustees 1, 2, and 3 shall initially be at large. Trustee terms shall be staggered with initial terms as follows: Trustee 2 shall serve an initial term of 4 years; Trustees 1 and 3 shall serve an initial term of 6 years. All terms shall commence on the date of issuance of a certificate of creation by the Office of the Lieutenant Governor of the State of Utah. In accordance with the PID Act, appointed Trustees shall not be required to be residents of the District.

B. Transition to Elected Board. Upon incorporation, the District shall estimate the total number of residential units within the District at full buildout of the property within the District (the “Anticipated REs”). Upon any annexation or withdrawal in accordance with this Governing Document, any affected District may adjust its Anticipated REs to reflect such boundary change. Respective board seats shall transition from appointed to elected seats according to the following milestones:

1. Trustee 1. Trustee 1 shall transition to an elected seat upon certificates of occupancy being issued for fifty percent (50%) of the Anticipated REs.

2. Trustee 2. Trustee 2 shall transition to an elected seat upon certificates of occupancy being issued for seventy-five percent (75%) of the Anticipated REs.

3. Trustee 3. Trustee 3 shall transition to an elected seat upon certificates of occupancy being issued for ninety percent (90%) of the Anticipated REs.

Notwithstanding the foregoing, any board seats which have not yet transitioned to an elected seat shall transition after twelve (12) years have passed from the date of issuance of a certificate of creation for the District. No transition pursuant to this Section shall become effective until the next scheduled regular election of the District. Registered voters within this Section shall mean voters whose “principal place of residence,” as that term is defined under Utah Code 20A-2-105(1)(a), is within the District.

C. Reelection and Reappointment. Upon the expiration of a Trustee’s respective term, any seat which has not transitioned to an elected seat shall be appointed by the City Council pursuant to the PID Act and any seat which has transitioned to an elected seat shall be elected

pursuant to an election held for such purpose. In the event that no qualified candidate files to be considered for appointment or files a declaration of candidacy for a seat, such seat may be filled in accordance with the Local District Act.

D. Vacancy. Any vacancy on the Board shall be filled pursuant to the Local District Act.

E. Compensation. Only Trustees who are residents of the District may be compensated for services as Trustee. Such compensation shall be in accordance with State Law.

F. Conflicts of Interest. Trustees shall disclose all conflicts of interest. Any Trustee who discloses such conflicts in accordance with 17D-4-202 and 67-16-9, Utah Code, shall be entitled to vote on such matters.

## **VII. REGIONAL IMPROVEMENTS**

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements. Regional Improvements may include, and may not be limited to, regional and connector roads; water, sewer and other utilities installed in said roads; an interchange at 3700 South Street and the Southern Parkway, and park and trail improvements.

Nothing herein shall prevent the City from financing and completing, or authorizing the finance and completion by another district, of other local or regional improvements not listed above, or approving other mill levies to facilitate the financing of the same.

## **VIII. FINANCIAL PLAN**

### **A. General.**

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from its revenues and by and through the proceeds of Debt to be issued by the District. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay within the Maximum Debt Mill Levy Imposition Term from revenues derived from the Maximum Debt Mill Levy and other legally available revenues. The total Debt that the Districts shall be permitted to issue shall not exceed One Hundred Fifty Million Dollars (\$150,000,000) and shall be permitted to be issued on a schedule and in such year or years as the Districts determine shall meet the needs of the Financial Plan referenced above and phased to serve development as it occurs. Any portion of bonds issued to refund a prior issuance of debt by the District shall not count against the permitted total Debt. The Total Debt Issuance Limitation shall not apply to the District's pledge of its property tax revenues to the Debt of one of the other Districts. In the event two or more Districts create an interlocal agency to issue debt, only the par amount issued by such agency shall count against the Total Debt Issuance Limitation rather than the individual amounts pledged by each District. All bonds and other Debt issued by the District may be payable from any and all legally available revenues of the District, including general ad valorem taxes to be imposed upon all Taxable Property within the District. The District will also rely upon various other revenue sources

authorized by law. These will include the power to assess Fees, penalties, or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time.

B. Maximum Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed fifteen percent (15%). The proposed maximum underwriting discount will be five percent (5%). Debt, when issued, will comply with all relevant requirements of this Governing Document, State law and Federal law as then applicable to the issuance of public securities.

C. Maximum Debt Mill Levy.

(a) The “Maximum Debt Mill Levy” shall be the maximum mill levy the District is permitted to impose in upon the taxable property within the District for payment of Limited Tax Debt, and shall be 0.0045 per dollar of taxable value of taxable property in the District; provided that such levy shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code. Such Maximum Debt Mill Levy may also be used to pay administrative expenses of the District. Further, the Districts may not impose mill levies which in aggregate exceed 0.0045 per dollar of taxable value of taxable property in the District Area; provided that such levies shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code.

(b) Such Maximum Debt Mill Levy may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202, Utah Code.

(c) It is anticipated that one or more of the Districts may overlap with a portion of the Bench Lake Public Improvement District (“BLPID”) approved by the City, given that the improvements proposed to be financed by the Districts may also benefit part of the area of the BLPID. The District may also overlap with another district or districts approved by the City. The BLPID is forbidden from levying a maximum mill levy in any overlap area which exceeds 0.003, which is the Maximum Debt Mill Levy of the BLPID. The aggregate mill levy of the Districts, the BLPID, and any other overlapping district together shall not in any event be permitted to exceed the Maximum Debt Mill Levy of the District, on any property located within any of the Districts and the BLPID, or the District and any other district.

D. Maximum Debt Mill Levy Imposition Term.

Each bond issued by the District shall mature within Thirty-One (31) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding forty (40) years from the first date of imposition of the mill levy for such bond (the “Maximum Debt Mill Levy Imposition Term”).

E. Debt Repayment Sources.

The District may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service. The District may also rely upon various other revenue sources authorized by law. At the District’s discretion, these may include the power

to assess penalties or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time. Except as described in Section VIII.C(a), the debt service mill levy in the District shall not exceed the Maximum Debt Mill Levy or, the Maximum Debt Mill Levy Imposition Term, except for repayment of General Obligation Debt.

The District shall not be permitted to charge an End User the costs of any portion of a Public Improvement for which such End User has already paid or is presently obligated to pay through any combination of mill levy or impact fee. This provision shall not prohibit the division of costs between mill levies or impact fees, but is intended to prevent double taxation of End Users for the costs of Public Improvements.

F. Debt Instrument Disclosure Requirement.

In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Governing Document for creation of the District.

Similar language describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Governing Document shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the District.

G. Security for Debt.

The District shall not pledge any revenue or property of the City as security for the indebtedness set forth in this Governing Document. Approval of this Governing Document shall not be construed as a guarantee by the City of payment of any of the District's obligations; nor shall anything in the Governing Document be construed so as to create any responsibility or liability on the part of the City in the event of default by the District in the payment of any such obligation.

H. District's Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the District's organization and initial operations, are anticipated to be Seventy-five Thousand Dollars (\$75,000), which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed. The first year's administrative operating budget is estimated to be approximately Seventy-five Thousand Dollars (\$75,000) which is anticipated to be borne by developer(s) until

such time a reimbursement can be derived from property taxes and other revenues, pursuant to a reimbursement agreement between the District and developers.

I. Bond and Disclosure Counsel.

It is the intent of the City that the District shall use competent and nationally recognized bond and disclosure counsel and Municipal Advisor with respect to District Bonds to ensure proper issuance and compliance with this Governing Document. The District has agreed to utilize the City's counsel, Gilmore & Bell, P.C., as bond and disclosure counsel and Zions Public Finance, Inc., as Municipal Advisor with respect to District Bonds as permitted by law. The foregoing requirement may be waived by vote of the City Council.

IX. ANNUAL REPORT

A. General.

The District shall be responsible for submitting an annual report to the City Manager's Office no later than 180 days following the end of the District's fiscal year.

B. Reporting of Significant Events.

The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.
2. List of current interlocal agreements, if changed (to be delivered to the City upon request);
3. Names and terms of Board members and officers and progress towards milestones required for transition to elected Board;
4. District office contact information;
5. Rules and regulations of the District regarding bidding, conflict of interest, contracting, and other governance matters, if changed;
6. A summary of any litigation which involves the District Public Improvements as of the last day of the prior fiscal year;
7. Status of the District's construction of the Public Improvements as of last day of the prior fiscal year and listing all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of the last day of the prior fiscal year;
8. A table summarizing total debt authorized and total debt issued by the District as well as any presently planned debt issuances;

9. Official statements of current outstanding bonded indebtedness, if not previously provided to the City;

10. Current year budget including a description of the Public Improvements to be constructed in such year;

11. The District's financial statements, for the previous fiscal year, such statements shall be audited if required pursuant to State law or relevant bond documents (such statements shall be submitted within 30 days of completion if completed after 180 days following the end of the fiscal year);

12. Notice of any uncured events of default by the District, which continue beyond a 90 day period, under any Debt instrument; and

13. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a 90 day period.

## **X. DISSOLUTION**

Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations as required pursuant to State statutes.

## **XI. DISCLOSURE TO PURCHASERS**

Within thirty (30) days of the City adopting a resolution creating the District, the Board shall record a notice with the recorder of Washington County. Such notice shall (a) contain a description of the boundaries of the District, (b) state that a copy of this Governing Document is on file at the office of the City, (c) state that the District may finance and repay infrastructure and other improvements through the levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filed with the City.

In addition, the Applicant and the Board shall ensure that the Applicant, homebuilders, commercial developers, and commercial lessors, as applicable, disclose the following information to initial resident homeowners, renters, commercial property owners, and/or commercial tenants:

- (1) All of the information in the first paragraph of this XI;
- (2) A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“Under the maximum property tax rate of the District, **for every \$100,000 of taxable value**, there would be an **additional annual property tax of \$450** for the duration of the District's Bonds.”

- (3) Such disclosures shall be contained on a separate-colored page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.

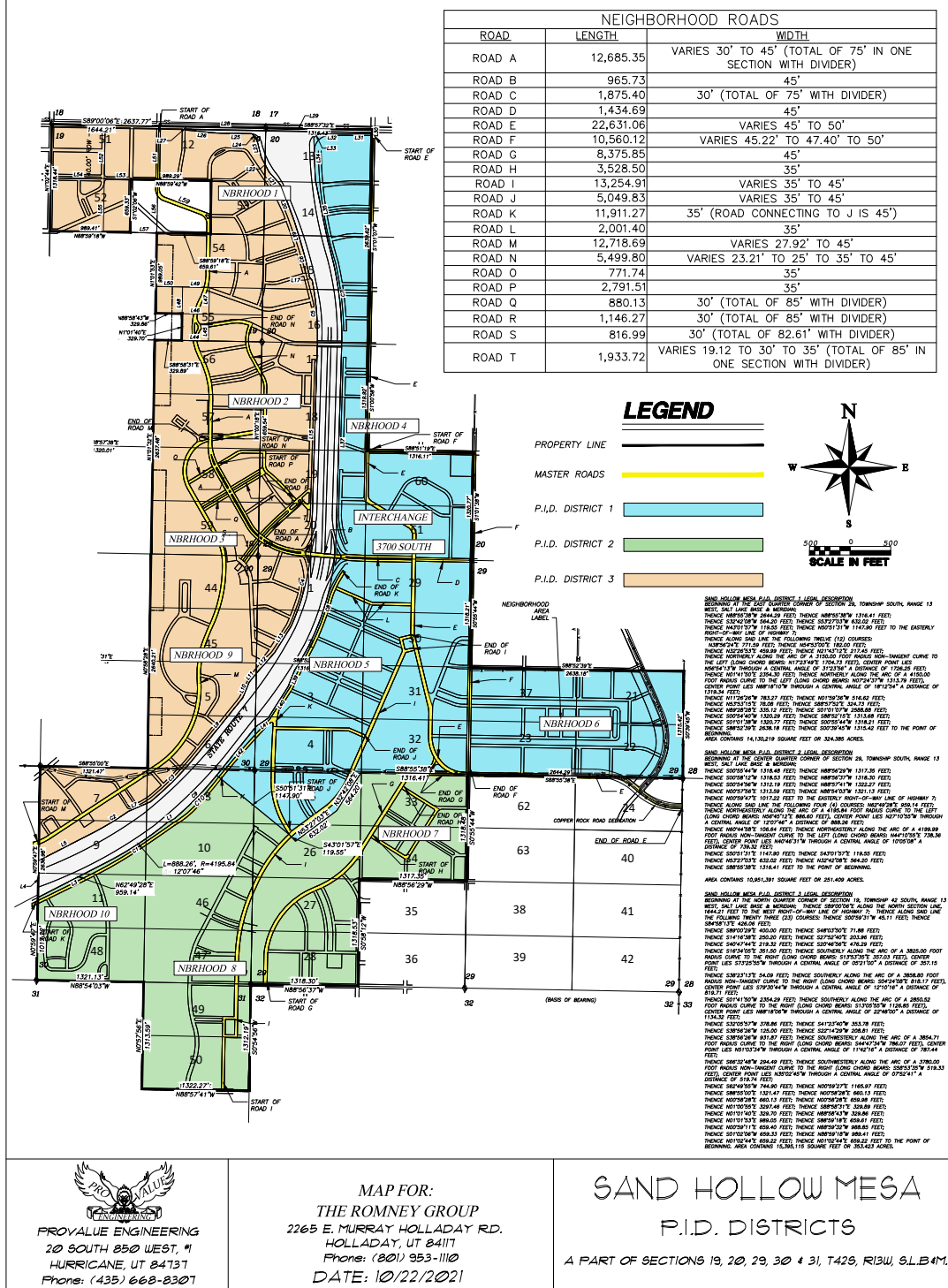
## **XII. INTERLOCAL AGREEMENT**

The form of the Interlocal Agreement required by the City Code, relating to the limitations imposed on the District's activities, is attached hereto as **Exhibit D**. The District shall approve the Interlocal Agreement in the form attached as **Exhibit D** at its first Board meeting after its organization. Failure of the District to execute the Interlocal Agreement as required herein shall constitute a material modification and shall require a Governing Document Amendment. The City Council shall approve the Interlocal Agreement in the form attached as **Exhibit D** at the public hearing approving the Governing Document.

# EXHIBIT A

## Initial District Boundary Map, Annexation Area Boundary Map, Legal Descriptions

### SAND HOLLOW MESA P.I.D. MAP



SAND HOLLOW MESA P.I.D. NO. 1 LEGAL DESCRIPTION

BEGINNING AT THE EAST QUARTER CORNER OF SECTION 29, TOWNSHIP SOUTH, RANGE 13 WEST, SALT LAKE BASE & MERIDIAN;  
THENCE N88°55'38"W 2644.29 FEET; THENCE N88°55'38"W 1316.41 FEET;  
THENCE S32°42'08"W 564.20 FEET; THENCE S53°27'03"W 632.02 FEET;  
THENCE N43°01'57"W 119.55 FEET; THENCE N50°51'31"W 1147.90 FEET TO THE  
EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY 7;  
THENCE ALONG SAID LINE THE FOLLOWING TWELVE (12) COURSES:  
N38°56'24"E 771.59 FEET; THENCE N54°53'00"E 182.00 FEET;  
THENCE N32°26'53"E 459.99 FEET; THENCE N21°43'12"E 217.45 FEET;  
THENCE NORTHERLY ALONG THE ARC OF A 3150.00 FOOT RADIUS NON-TANGENT  
CURVE TO THE LEFT (LONG CHORD BEARS: N17°23'49"E 1704.73 FEET), CENTER  
POINT LIES N56°54'13"W THROUGH A CENTRAL ANGLE OF 31°23'56" A DISTANCE  
OF 1726.25 FEET;  
THENCE N01°41'50"E 2354.30 FEET; THENCE NORTHERLY ALONG THE ARC OF A  
4150.00 FOOT RADIUS CURVE TO THE LEFT (LONG CHORD BEARS: N07°24'37"W  
1313.79 FEET), CENTER POINT LIES N88°18'10"W THROUGH A CENTRAL ANGLE OF  
18°12'54" A DISTANCE OF 1319.34 FEET;  
THENCE N11°26'26"W 783.27 FEET; THENCE N01°59'36"W 516.62 FEET;  
THENCE N53°53'15"E 78.08 FEET; THENCE S88°57'52"E 324.73 FEET;  
THENCE N89°28'28"E 335.12 FEET; THENCE S01°01'07"W 2588.88 FEET;  
THENCE S00°54'40"W 1320.29 FEET; THENCE S88°52'15"E 1313.68 FEET;  
THENCE S01°01'38"W 1320.77 FEET; THENCE S00°55'44"W 1318.21 FEET;  
THENCE S88°52'39"E 2638.18 FEET; THENCE S00°39'45"W 1315.42 FEET TO THE POINT  
OF BEGINNING.

AREA CONTAINS 14,130,219 SQUARE FEET OR 324.385 ACRES.

SAND HOLLOW MESA ANNEXATION AREA LEGAL DESCRIPTION

BEGINNING AT THE SOUTHWEST CORNER OF SECTION (THE COMMON CORNER TO SECTIONS 29, 30, 31 & 32), TOWNSHIP 42 SOUTH, RANGE 13 WEST, SALT LAKE BASE AND MERIDIAN; THENCE S00°54'56"W, ALONG THE EAST SECTION LINE OF SECTION 31, 1312.19 FEET TO THE 1/16 CORNER OF SAID SECTION 31; THENCE N88°57'41"W, ALONG THE 1/16TH LINE, 1322.27 FEET TO THE NORTH-SOUTH 1/16TH LINE; THENCE N00°57'56"E, ALONG THE 1/16TH/ LINE, 1313.59 FEET TO THE 1/16TH CORNER ON THE SOUTH SECTION LINE OF SECTION 30; THENCE N88°53'33"W, ALONG THE SOUTH SECTION LINE, 1321.14 FEET TO THE SOUTH 1/4 CORNER OF SECTION 30; THENCE N00°59'47"E, ALONG THE 1/4 SECTION LINE, 2636.98 FEET TO THE CENTER QUARTER CORNER OF SECTION 30; THENCE S88°55'00"E. ALONG THE 1/4 SECTION LINE, 1321.47 FEET TO THE 1/16TH CORNER; THENCE N00°58'28"E, ALONG THE NORTH-SOUTH 1/16TH LINE, 2640.21 FEET TO THE 1/16TH CORNER ON THE SOUTH SECTION LINE OF SECTION 19; THENCE N01°01'32"E, ALONG THE NORTH-SOUTH 1/16TH LINE, 2637.48 FEET TO THE 1/16TH CORNER IN SECTION 19; THENCE S88°58'31"E, ALONG THE 1/4 SECTION LINE, 329.89 FEET; THENCE N01°01'40"E 329.70 FEET; THENCE N88°58'43"W 329.86 FEET TO THE NORTH-SOUTH 1/16TH LINE; THENCE N01°01'53"E, ALONG THE 1/16TH LINE, 989.05 FEET TO THE 1/16TH CORNER; THENCE S88°59'18"E, ALONG THE EAST-WEST 1/16TH LINE, 659.61 FEET; THENCE N01°01'27"E 659.45 FEET; THENCE N88°59'42"W 989.29 FEET; THENCE S01°02'06"W 659.33 FEET TO THE EAST-WEST 1/16TH LINE; THENCE N88°59'18"W, ALONG THE 1/16TH LINE, 989.41 FEET TO THE 1/4 SECTION LINE; THENCE N01°02'44"E, ALONG THE 1/4 SECTION LINE, 1318.43 FEET TO THE NORTH QUARTER CORNER OF SECTION 19; THENCE S89°00'06"E, ALONG THE NORTH SECTION LINE OF SECTION 19, 2637.77 FEET TO THE COMMON CORNER OF SECTION 17, 18, 19, 20 (NORTHEAST CORNER OF SECTION 19); THENCE S88°57'52"E, ALONG THE NORTH SECTION LINE OF SECTION 20, 1316.43 FEET TO THE 1/16TH CORNER; THENCE S01°01'06"W, ALONG THE 1/16TH LINE, 2639.62 FEET; THENCE S01°00'58"W, ALONG THE 1/16TH LINE, 1319.92 FEET TO THE 1/16TH CORNER; THENCE S88°51'19"E, ALONG THE 1/16TH LINE, 1316.11 FEET TO THE 1/4 SECTION LINE OF SECTION 20; THENCE S01°01'38"W, ALONG THE 1/4 SECTION LINE, 1320.77 FEET TO THE SOUTH 1/4 CORNER OF SECTION 20, ALSO THE NORTH 1/4 CORNER OF SECTION 29; THENCE S00°55'44"W, ALONG THE 1/4 SECTION LINE IN SECTION 29, 1318.21 FEET TO THE 1/16TH CORNER; THENCE S88°52'39"E, ALONG THE 1/16TH LINE, 2638.18 FEET TO THE EAST SECTION LINE; THENCE S00°39'45"W, ALONG THE EAST SECTION LINE, 1315.42 FEET TO THE EAST 1/4 CORNER OF SECTION 29; THENCE N88°55'38"W, ALONG THE 1/4 SECTION LINE, 2644.29 FEET TO THE NORTH-SOUTH 1/4 SECTION LINE; THENCE S0°55'44"W, ALONG THE 1/4 SECTION LINE, 1318.48 FEET TO THE 1/16TH LINE; THENCE N88°56'29"W, ALONG THE EAST-WEST 1/16TH LINE, 1317.35 FEET TO THE NORTH-SOUTH 1/16TH LINE; THENCE S0°58'12"W, ALONG THE 1/16TH LINE, 1318.53 FEET TO THE SOUTH SECTION LINE; THENCE N88°56'37"W ALONG SAID LINE, 1318.30 FEET TO THE POINT OF BEGINNING.

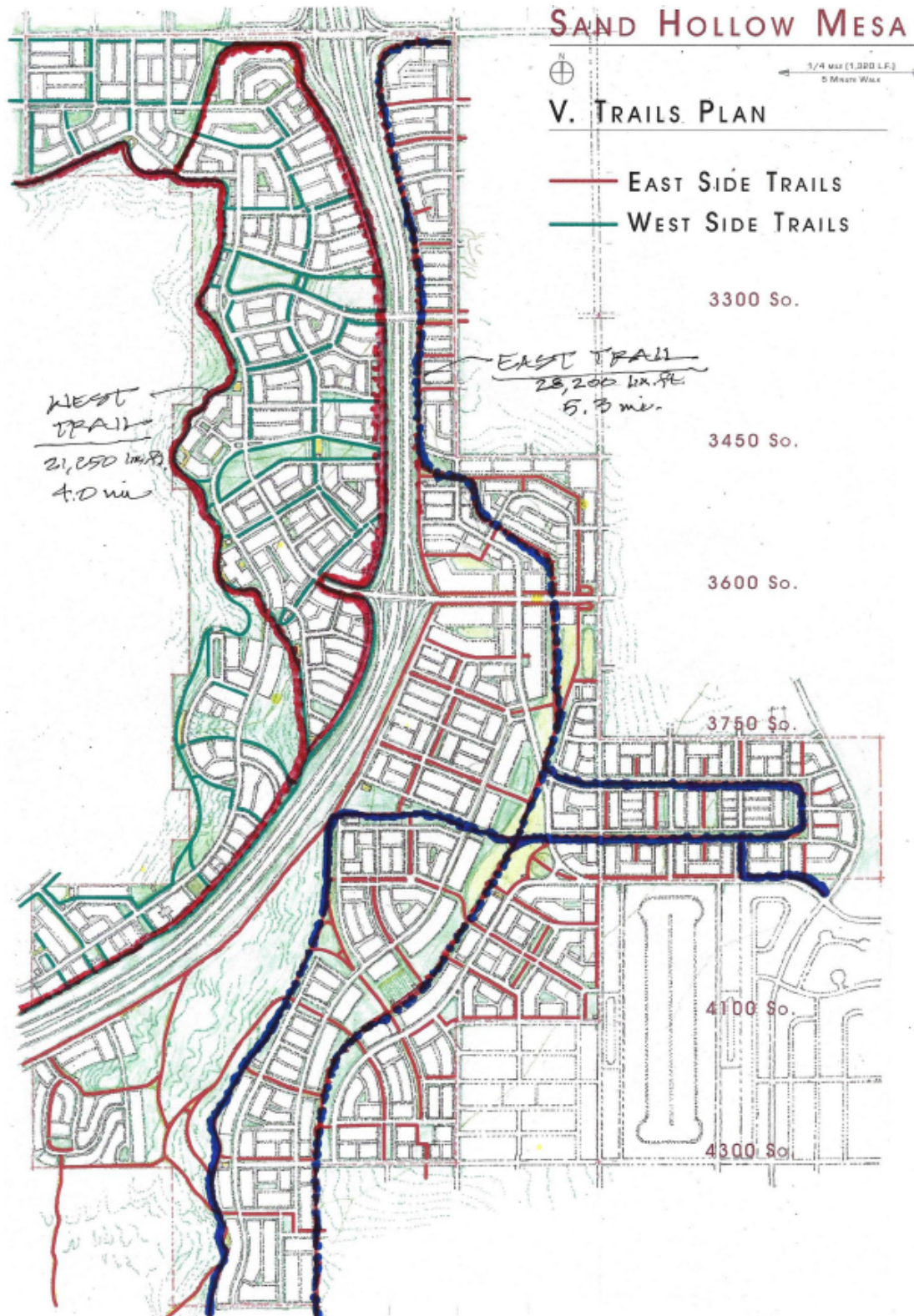
AREA CONTAINS 44,450,513 SQUARE FEET OR 1020.443 ACRES.

LEGAL DESCRIPTION INCLUDES 91.24 ACRES FOR THE SR-7 HIGHWAY AND 5.63 ACRES FOR COPPER ROCK PARKWAY AND 2100 WEST ROAD.

LESS AND EXCEPTING THE LEGAL DESCRIPTION FOR SAND HOLLOW MESA PID NO. 1 SET FORTH ABOVE.

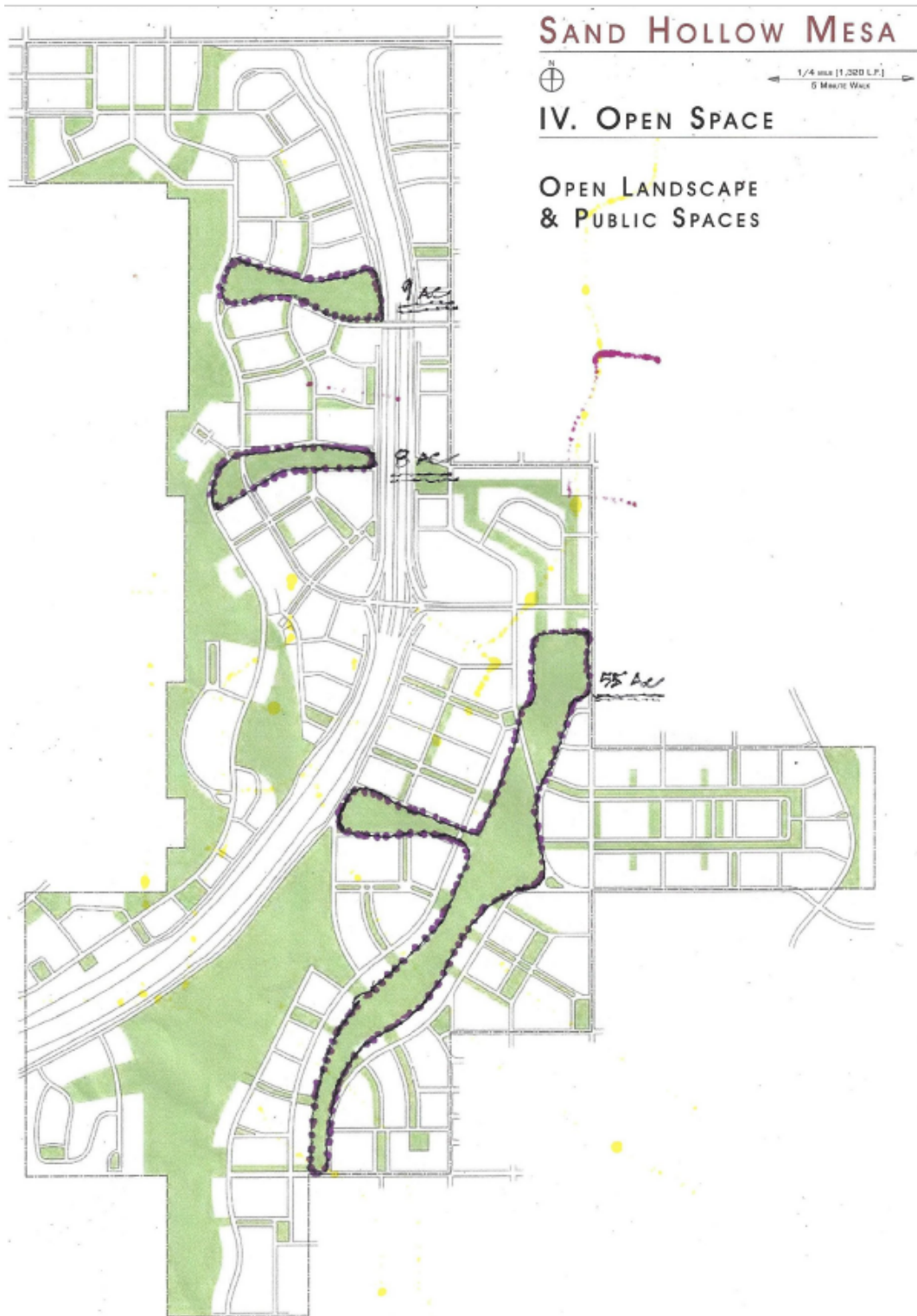
# EXHIBIT B

## Trails Plan



# EXHIBIT C

## Open Space Plan



**EXHIBIT D**

Proposed Scope of Financing for Each of the Districts

*(see following pages)*

# HOLLOW MESA PID DISTRICT #1 ESTIMATE

15-Mar-22

SAND HOLLOW MESA				
PUBLIC IMPROVEMENT DISTRICT #1				
TOTAL ESTIMATE				
ITEM DESCRIPTION	UNIT PRICE Dollars & Cents	QUANTITY	UNITS	ITEM PRICE Dollars & Cents
<b>P.I.D. ITEMS</b>				
UDOT Approved Interchange	\$ 9,500,000.00	1	LS	\$ 9,500,000.00
Public Utilities	\$ 15,750,000.00	1	LS	\$ 15,750,000.00
Master Planned Public Roadways	\$ 15,656,250.00	1	LS	\$ 15,656,250.00
Public Safety Building	\$ 5,000,000.00	1	LS	\$ 5,000,000.00
Eco-Friendly Irrigation System	\$ 3,862,500.00	1	LS	\$ 3,862,500.00
Public Trails and Facilities	\$ 3,168,750.00	1	LS	\$ 3,168,750.00
City Parks & Open Spaces	\$ 3,562,500.00	1	LS	\$ 3,562,500.00
				\$ -
<b>TOTAL of ITEMS 1 THRU 7=</b>				<b>\$ 56,500,000.00</b>
S.H. MESA PID#1 TOTAL	<b>\$ 56,500,000.00</b>			
ENGINEERING, CONST MGMT, AND TESTING	10% INCLUDED			
CONTINGENCY	10% INCLUDED			
<b>GRAND TOTAL</b>	<b>\$ 56,500,000.00</b>			
<b>ITEMS INCLUDED IN THE MASTER PLANNED ROADS</b>		<b>ITEMS INCLUDED IN PUBLIC FACILITY</b>		
Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.		Includes FIRE/POLICE station with site improvements for a new public safety building		
<b>ITEMS INCLUDED IN THE 3700 SOUTH INTERCHANGE</b>		<b>ITEMS INCLUDED IN IRRIGATION</b>		
Includes overpass bridge, on & off ramps, roadway improvements, utility work, lights, and trail route.		Includes irrigation pipes, connections to deliver future irrigation water.		
<b>ITEMS INCLUDED IN THE PARKS</b>				
Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.				
<b>ITEMS INCLUDED IN THE TRAILS</b>				
Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.				

PID #1 SCOPE:

**ITEMS INCLUDED IN THE MASTER PLANNED ROADS**

---

Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.

**ITEMS INCLUDED IN THE 3700 SOUTH INTERCHANGE**

---

Includes overpass bridge, on & off ramps, roadway improvements, utility work, lights, and trail route.

**ITEMS INCLUDED IN THE PARKS**

---

Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.

**ITEMS INCLUDED IN THE TRAILS**

---

Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.

**ITEMS INCLUDED IN PUBLIC FACILITY**

---

Includes FIRE/POLICE station with site improvements for a new public safety building

---

**ITEMS INCLUDED IN IRRIGATION**

---

Includes irrigation pipes, connections to deliver future irrigation water.

---

<b>SAND HOLLOW MESA PID DISTRICT #2 ESTIMATE</b>					
<b>Date: 15-Mar-22</b>					
SAND HOLLOW MESA					
PUBLIC IMPROVEMENT DISTRICT #2					
TOTAL ESTIMATE					
ITEM No.	ITEM DESCRIPTION	UNIT PRICE Dollars & Cents	QUANTITY	UNITS	ITEM PRICE Dollars & Cents
<b>P.I.D. ITEMS</b>					
1	Public Utilities	\$ 15,750,000.00	1	LS	\$ 15,750,000.00
2	Master Planned Public Roadways	\$ 15,656,250.00	1	LS	\$ 15,656,250.00
3	Eco-Friendly Irrigation System	\$ 3,862,500.00	1	LS	\$ 3,862,500.00
4	Public Trails and Facilities	\$ 3,168,750.00	1	LS	\$ 3,168,750.00
5	City Parks & Open Spaces	\$ 3,562,500.00	1	LS	\$ 3,562,500.00
					\$ -
<b>TOTAL of ITEMS 1 THRU 4=</b>					<b>\$ 42,000,000.00</b>
S.H. MESA PID#2 TOTAL		<b>\$ 42,000,000.00</b>			
ENGINEERING, CONST MGMT, AND TESTING		10% INCLUDED			
CONTINGENCY		10% INCLUDED			
<b>GRAND TOTAL</b>		<b>\$ 42,000,000.00</b>			
<b>ITEMS INCLUDED IN THE MASTER PLANNED ROADS</b>			<b>ITEMS INCLUDED IN IRRIGATION</b>		
Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.			Includes irrigation pipes, connections to deliver future irrigation water.		
<b>ITEMS INCLUDED IN THE PARKS</b>					
Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.					
<b>ITEMS INCLUDED IN THE TRAILS</b>					
Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.					

PID #2 SCOPE:

**ITEMS INCLUDED IN THE MASTER PLANNED  
ROADS**

---

Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.

**ITEMS INCLUDED IN IRRIGATION**

---

Includes irrigation pipes, connections to deliver future irrigation water.

---

**ITEMS INCLUDED IN THE PARKS**

---

Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.

**ITEMS INCLUDED IN THE TRAILS**

---

Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.

**SAND HOLLOW MESA PID DISTRICT #3 ESTIMATE**

**Date: 15-Mar-22**

SAND HOLLOW MESA					
PUBLIC IMPROVEMENT DISTRICT #3					
TOTAL ESTIMATE					
ITEM No.	ITEM DESCRIPTION	UNIT PRICE Dollars & Cents	QUANTITY	UNITS	ITEM PRICE Dollars & Cents
<b>P.I.D. ITEMS</b>					
1	Public Utilities	\$ 10,500,000.00	1	LS	\$ 10,500,000.00
2	Master Planned Public Roadways	\$ 10,437,500.00	1	LS	\$ 10,437,500.00
3	Eco-Friendly Irrigation System	\$ 2,575,000.00	1	LS	\$ 2,575,000.00
4	Public Trails and Facilities	\$ 2,112,500.00	1	LS	\$ 2,112,500.00
5	City Parks & Open Spaces	\$ 2,375,000.00	1	LS	\$ 2,375,000.00
					\$ -
<b>TOTAL of ITEMS 1 THRU 5=</b>					<b>\$ 28,000,000.00</b>
S.H. MESA PID#3 TOTAL		<b>\$ 28,000,000.00</b>			
ENGINEERING, CONST MGMT, AND TESTING		10% INCLUDED			
CONTINGENCY		10% INCLUDED			
<b>GRAND TOTAL</b>		<b>\$ 28,000,000.00</b>			
<b>ITEMS INCLUDED IN THE MASTER PLANNED ROADS</b>			<b>ITEMS INCLUDED IN IRRIGATION</b>		
Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.			Includes irrigation pipes, connections to deliver future irrigation water.		
<b>ITEMS INCLUDED IN THE PARKS</b>					
Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.					
<b>ITEMS INCLUDED IN THE TRAILS</b>					
Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.					

PID #3 SCOPE:

**ITEMS INCLUDED IN THE MASTER PLANNED  
ROADS**

---

Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.

**ITEMS INCLUDED IN IRRIGATION**

---

Includes irrigation pipes, connections to deliver future irrigation water.

---

**ITEMS INCLUDED IN THE PARKS**

---

Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.

**ITEMS INCLUDED IN THE TRAILS**

---

Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.

**EXHIBIT E**  
**INTERLOCAL AGREEMENT BETWEEN**  
**HURRICANE CITY, UTAH**  
**AND**  
**SAND HOLLOW MESA PUBLIC INFRASTRUCTURE DISTRICT NO. 1**

THIS AGREEMENT is made and entered into as of this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between HURRICANE CITY, a home-rule municipal corporation of the State of Utah (“City”), and SAND HOLLOW MESA PUBLIC INFRASTRUCTURE DISTRICT NO. 1, a political subdivision of the State of Utah (the “District”). The City and the District are collectively referred to as the Parties.

**RECITALS**

WHEREAS, the District was organized to provide to exercise powers as are more specifically set forth in the District’s Governing Document approved by the City on March 3, 2022 (“Governing Document”); and

WHEREAS, the Governing Document makes reference to the execution of an Interlocal Agreement between the City and the District; and

WHEREAS, the City and the District have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Interlocal Agreement (“Agreement”).

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

**COVENANTS AND AGREEMENTS**

1. **Operations and Maintenance.** The District shall dedicate the Public Improvements (as defined in the Governing Document) to the City or other appropriate jurisdiction in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. The District shall be authorized, but not obligated, to own Public Improvements not otherwise required to be dedicated to the City or other public entity, and all necessary equipment and appurtenances incident thereto. Trails which are interconnected with a city or regional trail system shall be open to the public free of charge and on the same basis as residents and owners of taxable property within the District.

2. **Improvements Limitation.** Without written authorization of the City, the District shall not be authorized to finance the costs of any improvements or facilities which are to be ultimately owned by one of the Districts.

**Construction Standards.** The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of

other governmental entities having proper jurisdiction, as applicable. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work. The District may satisfy any City requirements for guaranty of performance of infrastructure completion by delivering to the City documentation evidencing the funds available to the District for such infrastructure as a result of the bonds issued by the District.

3. Issuance of Privately Placed Debt. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of a Municipal Advisor substantially as follows:

We are [I am] a Municipal Advisor within the meaning of the District's Governing Document.

We [I] certify that (1) the net effective interest rate to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

4. Inclusion Limitation. The District shall not include within any of their boundaries any property outside the District Area without the prior written consent of the City. By the Governing Document, the City has consented to the annexation or withdrawal of any area within the Annexation Area into or from the District Boundaries. The District shall not include within any of its boundaries any property inside the inclusion area boundaries without the prior written consent of the City except upon petition of the surface property owners of 100 percent of such property and/or 100 percent of registered voters within the area to be included, as applicable, as provided in Section 17D-4-201(3), Utah Code.

5. Overlap Limitation. It is anticipated that one or more of the Districts may overlap with a portion of the Bench Lake Public Improvement District ("BLPID") approved by the City, given that the improvements proposed to be financed by the Districts may also benefit part of the area of the BLPID. The BLPID is forbidden from levying a maximum mill levy in the overlap area which exceeds 0.003, which is the Maximum Debt Mill Levy of the BLPID. The aggregate mill levy of the Districts and the BLPID together shall not in any event be permitted to exceed the Maximum Debt Mill Levy of the District, on any property located within any of the Districts and the BLPID. The Districts shall not, without the prior authorization of the City Council, consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the Districts.

6. Initial Debt. On or before the effective date of approval by the City of an Approved Development Plan (as defined in the Governing Document), the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any fees used for the purpose of repayment of Debt.

7. Total Debt Issuance. The Districts shall not issue Debt in excess of an aggregate amount of One Hundred Fifty Million Dollars (\$150,000,000). This amount excludes any portion of bonds issued to refund a prior issuance of debt by any of the Districts. In addition, the Total Debt Issuance Limitation does not apply to the District's pledge of its property tax revenues to the Debt of one of the other Districts. In the event two or more Districts create an interlocal agency to issue debt, only the par amount issued by such agency shall count against the Total Debt Issuance Limitation rather than the individual amounts pledged by each District.

8. Bankruptcy. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17D-4-201(4), Utah Code. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and

(b) Are, together with all other requirements of Utah law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Governing Document and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Governing Document Amendment.

9. Dissolution. Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to State statutes.

10. Disclosure to Purchasers. Within thirty (30) days of the City adopting a resolution creating the District, the Board shall record a notice with the recorder of Washington County, Utah. Such notice shall (a) contain a description of the boundaries of the District, (b) state that a copy of this Governing Document is on file at the office of the City, (c) state that the District may finance and repay infrastructure and other improvements through the levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filled with the City.

In addition, the Applicant and the Board shall ensure that the Applicant, homebuilders, commercial developers, and commercial lessors, as applicable, disclose the following information to initial resident homeowners, renters, commercial property owners, and/or commercial tenants:

(a) All of the information in the first paragraph of 11 of this Agreement;

(b) A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“Under the maximum property tax rate of the District, **for every \$100,000 of taxable value**, there would be an **additional annual property tax of \$450** for the duration of the District’s Bonds.”

(c) Such disclosures shall be contained on a separate-colored page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.

11. Governing Document Amendment Requirement. Actions of the District which violate the limitations set forth in V.A.1-9 or VIII.B-G of the Governing Document shall be deemed to be material modifications to the Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

12. Annual Report. The District shall be responsible for submitting an annual report to the City Manager’s Office no later than 180 days following the closing of the District’s fiscal year, containing the information set forth in Section VIII of the Governing Document.

13. Regional Improvements. The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements.

14. Maximum Debt Mill Levy.

(a) The “Maximum Debt Mill Levy” shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Limited Tax Debt shall be 0.0045 per dollar of taxable value of taxable property in the District; provided that such levy shall be subject to adjustment as provided in Section 17D-4-301(8). Such Maximum Debt Mill Levy may also be used to pay administrative expenses of the District. Further, the Districts may not impose mill levies which aggregate in excess of 0.0045 per dollar of taxable value of taxable property in the District; provided that such levies shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code.

(b) Such Maximum Debt Mill Levy may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202.

(c) Any other mill levy imposed by any other district with the authorization of the City shall not be applied toward the calculation of the Maximum Debt Mill Levy.

15. Maximum Debt Mill Levy Imposition Term. Each bond issued by the District shall mature within thirty-one (31) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding forty (40)

years from the first date of imposition of the mill levy for such bond (the “Maximum Debt Mill Levy Imposition Term”).

16. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District: Sand Hollow Mesa Public Infrastructure District  
No. 1  
c/o Snow Jensen & Reece, PC  
912 West 1600 South, Ste. B200  
St. George, UT 84770  
Attn: Matthew J. Ence  
Phone: (435) 628-3688

To the City: Hurricane City  
147 N 870 W  
Hurricane, UT 84737  
Attn: City Manager  
Phone: (435) 635-2811

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

17. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Governing Document.

18. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

19. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys’ fees.

20. Term. This Agreement shall terminate upon the earlier to occur of dissolution of the District or fifty (50) years from the date hereof.

21. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Utah.

22. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

23. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

24. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the City any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the City shall be for the sole and exclusive benefit of the District and the City.

25. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

26. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

27. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

28. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Governing Document.

**[SIGNATURE PAGE TO INTERLOCAL AGREEMENT]**

SAND HOLLOW MESA PUBLIC  
INFRASTRUCTURE DISTRICT NO. 1

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

Attest:

\_\_\_\_\_  
Secretary

APPROVED AS TO FORM: \_\_\_\_\_

HURRICANE CITY, UTAH

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

Attest:

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

APPROVED AS TO FORM: \_\_\_\_\_

**GOVERNING DOCUMENT  
FOR  
SAND HOLLOW MESA PUBLIC INFRASTRUCTURE DISTRICT NO. 2  
HURRICANE CITY, UTAH**

**March 23, 2022**

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<b>EXHIBIT B</b>	Trails Plan
<b>EXHIBIT C</b>	Open Space Plan
<b>EXHIBIT D</b>	Proposed Scope of Financing for Each of the Districts
<b>EXHIBIT E</b>	Interlocal Agreement between the District and Hurricane City

## I. INTRODUCTION

### A. Purpose and Intent.

The District is an independent unit of local government, separate and distinct from the City, and, except as may otherwise be provided for by State or local law or this Governing Document, its activities are subject to review by the City only insofar as they may deviate in a material matter from the requirements of the Governing Document. It is intended that the District will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements. The District is not being created to provide any ongoing operations and maintenance services.

### B. Need for the District.

There are currently no other governmental entities, including the City, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

### C. Objective of the City Regarding District's Governing Document.

The City's objective in approving the Governing Document for the District is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the District. All Debt is expected to be repaid by taxes imposed and collected for no longer than the Maximum Debt Mill Levy Imposition Term and at a tax mill levy no higher than the Maximum Debt Mill Levy for all commercial and residential properties. Debt which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Governing Document is intended to establish a limited purpose for the District and explicit financial constraints that are not to be violated under any circumstances. The primary purpose is to provide for the Public Improvements associated with development and regional needs. Although the District has authority to directly provide public improvements, the District also has the authority to pledge tax revenues to an interlocal entity that provides public improvements.

It is the intent of the District to dissolve upon payment or defeasance of all Debt incurred or upon a determination that adequate provision has been made for the payment of all Debt.

The District shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from tax revenues collected from a mill levy which shall not exceed

the Maximum Debt Mill Levy on taxable properties and which shall not exceed the Maximum Debt Mill Levy Imposition Term on taxable properties. It is the intent of this Governing Document to assure to the extent possible that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy in amount and that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy Imposition Term in duration even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters are not costs to be paid by the District.

## **II. DEFINITIONS**

In this Governing Document, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Annexation Area Boundaries: means the boundaries of the area described in the Annexation Area Boundary Map which have been approved by the City for annexation or withdrawal from or into one of the Districts upon the meeting of certain requirements.

Annexation Area Boundary Map: means the map depicting the Annexation Area Boundaries attached hereto as **Exhibit A**, describing the property proposed for annexation within the District.

Approved Development Plan: means a Preliminary Development Plan or other process established by the City for identifying, among other things, Public Improvements necessary for facilitating development for property within the District Area as approved by the City pursuant to the City Code and as amended pursuant to the City Code from time to time. For purposes of this Governing Document, the Master Plan / PDO Concept Submittal dated January 14, 2021, as approved by the City on March 4, 2021, shall constitute an Approved Development Plan.

Board: means the board of trustees of the District.

Bond, Bonds or Debt: means bonds or other obligations, including loans of any property owner, for the payment of which the District has promised to impose an ad valorem property tax mill levy.

City: means Hurricane City, Utah.

City Code: means the City Code of Hurricane City, Utah.

City Council: means the City Council of Hurricane City, Utah.

District: means the Sand Hollow Mesa Public Infrastructure District No. 2.

District Area: means the property within the Initial District Boundary Map and the Annexation Area Boundary Map.

Districts: means collectively, the District, Sand Hollow Mesa Public Infrastructure District No. 1, and Sand Hollow Mesa Public Infrastructure District No. 3, contemplated to be created contemporaneously with one another.

End User: means any owner, or tenant of any owner, of any taxable improvement within the District, who is intended to become burdened by the imposition of ad valorem property taxes subject to the Maximum Debt Mill Levy. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an End User. The business entity that constructs homes or commercial structures is not an End User.

Fees: means any fee imposed by the District for administrative services provided by the District.

Financial Plan: means the Financial Plan described in Section VIII which describes (i) the potential means whereby the Public Improvements may be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

General Obligation Debt: means a Debt that is directly payable from and secured by ad valorem property taxes that are levied by the District and does not include Limited Tax Debt.

Governing Document: means this Governing Document for the District approved by the City Council.

Governing Document Amendment: means an amendment to the Governing Document approved by the City Council in accordance with the City's ordinance and the applicable state law and approved by the Board in accordance with applicable state law.

Initial District Boundaries: means the boundaries of the area described in the Initial District Boundary Map.

Initial District Boundary Map: means the map depicting the Initial District Boundaries attached hereto as **Exhibit A**, describing the District's initial boundaries.

Limited Tax Debt: means a debt that is directly payable from and secured by ad valorem property taxes that are levied by the District which may not exceed the Maximum Debt Mill Levy.

Local District Act: means Title 17B of the Utah Code, as amended from time to time.

Maximum Debt Mill Levy: means the maximum mill levy the District is permitted to impose for payment of Debt as set forth in Section VIII.C below.

Maximum Debt Mill Levy Imposition Term: means the maximum term for imposition of a mill levy for any given series of bonds as set forth in Section VIII.D below.

Municipal Advisor: means a consultant that: (i) advises Utah governmental entities on matters relating to the issuance of securities by Utah governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be an individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (iii) is not an officer or employee of the District.

Project: means the development or property commonly referred to as the Sand Hollow Mesa Project.

PID Act: means Title 17D, Chapter 4 of the Utah Code, as amended from time to time and any successor statute thereto.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as generally described in the Local District Act, except as specifically limited in Section V below to serve the future taxpayers and inhabitants of the District Area as determined by the Board.

Regional Improvements: means Public Improvements and facilities that benefit the District Area and which are to be financed pursuant to Section VII below.

State: means the State of Utah.

Taxable Property: means real or personal property within the District Area subject to ad valorem taxes imposed by the District.

Trustee: means a member of the Board.

Utah Code: means the Utah Code Annotated 1953, as amended.

### **III. BOUNDARIES**

The area of the Initial District Boundaries includes approximately two hundred fifty-one (251.409) acres and the total area proposed to be included in the Annexation Area Boundaries is approximately nine hundred twenty-nine (929.217) acres and includes all property within the District as well as an additional approximately six hundred seventy-eight (677.801) acres. Maps of the Initial District Boundaries and Annexation Area Boundaries, and legal descriptions of the Initial District Boundaries and the Annexation Area Boundaries are attached hereto together as **Exhibit A**. It is anticipated that the District's boundaries may change from time to time as it undergoes annexations and withdrawals pursuant to Section 17B-4-201, Utah Code, subject to Article V below.

### **IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION**

The District Area consists of approximately nine hundred twenty-nine (929.217) acres of mostly undeveloped land. The current assessed valuation of the District Area at build out, is

expected to be sufficient to reasonably discharge the Debt under the Financial Plan. The population of the District Area at build-out is estimated to be approximately 9,000 people.

Approval of this Governing Document by the City does not imply approval of the development of a specific area within the District, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Governing Document or any of the exhibits attached thereto, unless the same is contained within an Approved Development Plan.

## V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES

### A. Powers of the District and Governing Document Amendment.

The District shall have the power and authority to provide the Public Improvements within and without the boundaries of the District as such power and authority is described in the Local District Act, and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein.

1. Improvements. The District shall have authority to provide for the planning, design, acquisition, construction, installation, and dedication to the City or other appropriate public agencies of the Public Improvements within and without the boundaries of the District. Plans for all Public Improvements to be financed must be reviewed and approved by the City and other appropriate public service entity through established review processes prior to commencement of construction. The District is authorized to finance the following improvements (the “Pre-Requisite Improvements”), prioritized as follows, and as generally depicted in or required by the Approved Development Plan:

(a) *UDOT Approved Interchange.* A UDOT approved and designed interchange at 3700 South Street, including two trails, one 12' and one 5', and two separate bike lanes. Estimated total cost \$9,500,000.

(b) *Master and Regional Utility Improvements.* Dedications and improvements related to master-planned public utilities within the property and regional improvements to service the property. Estimated total cost \$40,000,000.

(c) *Master Planned Public Roadways.* All master planned public roadways depicted on the City’s most recent master road plan, including sidewalks, shared-use paths/trails, and curb/gutter as required by City standards, as depicted in yellow on the Initial District Boundary Map, and as listed in the Table of Master Planned Roads, attached hereto as **Exhibit A**. Estimated total cost \$41,324,000.

(d) *Public Safety Building.* Construction by the City of a public safety building to house fire and/or police services located within the Project, in a location and of a design to be approved by the City. When funding for the building is obtained, funds will be provided directly to the City and/or the Hurricane Valley Fire District in return for a commitment that funds will only be

used for the purposes authorized herein. The District will notify the City and Hurricane Valley Fire District in advance of the anticipated timing of financing for the public safety building, and if the City and District prefer, will defer financing to be issued later by another of the Districts. Estimated total cost \$5,000,000.

(e) *Trails and Related Improvements.* 9.2 miles of public trails, trailheads, parking and restrooms with drinking facilities. The main trails connecting the Project to adjacent properties and trail systems would be 12' wide. The locations of public trails to be financed are depicted generally on the Trails Plan map, a copy of which is incorporated into **Exhibit B**. Estimated total cost \$8,440,000.

(f) *City Parks and Public Open Space.* Dedication and improvement of city parks and open spaces of at least 72 acres of the 279 acres of open space planned for the project. The 72 acres will be of developable land, and 51 of the 72 acres will be improved as active or programmable park spaces (the remaining approximately 21 acres would be passive park space). Conditioned on availability of required permits, one of the city parks will include a public fishing pond. Other improvements to programmable park space will be as proposed by developer and approved by City staff. The locations of public parks and open space to be financed are depicted generally on the Open Space map, a copy of which is incorporated into **Exhibit C**. Estimated total cost \$9,500,000.

(g) *Secondary Irrigation System.* Dedications and improvements required for a secondary irrigation system that would meet Governor Cox's proposed water conservation plan to utilize as little water as possible in public spaces throughout the property. Estimated total cost \$10,274,000.

It is anticipated that the Districts together will have the capacity to finance the Pre-Requisite Improvements. **Exhibit D** provides one possible approach to dividing the costs of the Pre-Requisite Improvements between the Districts; however, the final division of costs to be financed between the Districts will be determined by the Boards of the Districts based on final development phasing and bond market conditions.

In the event that the financing capacity of the Districts together, including all property annexed into each District, is not sufficient to fully finance all of the Pre-Requisite Improvements, then the Districts will obtain what financing it can for the Pre-Requisite Improvements, and with said financing will either (a) complete such Pre-Requisite Improvements as can be completed with available financing, as said improvements are prioritized by the City; (b) dedicate the funds obtained by said financing toward the cost of completion of the Pre-Requisite Improvements by the City or other appropriate public utility agency(ies); or (c) some combination of (a) and (b), as agreed by the City.

The Pre-Requisite Improvements may be funded either through issuance of bonds or other sources of funds (such as developer contributions), but must be fully funded before other non-Pre-Requisite Improvements are financed through the Districts.

Any impact fee reimbursements or credits which become available due to the financing of public improvements by the Districts shall be for the benefit of the Districts and not any developer.

In the event that the Pre-Requisite Improvements are fully funded, and additional PID funds are still available, then said funds may be applied to additional Public Improvements approved by the City Council on a case-by-case basis.

2. Operations and Maintenance Limitation. The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. The District shall dedicate the Public Improvements to the City or other appropriate public entity or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. Trails which are interconnected with a city or regional trail system shall be open to the public free of charge and on the same basis as residents and owners of taxable property within the District.

3. Improvements Limitation. Notwithstanding the provisions of Section V.A.1 and 2 above, without written authorization of the City, the District shall not be authorized to finance the costs of any improvements or facilities which are to be ultimately owned by one of the Districts.

4. Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work. City performance security requirements will be satisfied by depositing funds in a joint escrow account from which withdrawals require City staff approval, or other mechanism as may be reasonably acceptable to the City.

5. Procurement. The District shall be subject to the Utah Procurement Code, Title 63G, Chapter 6a. Notwithstanding this requirement, the District may acquire completed or partially completed improvements for fair market value as reasonably determined by a surveyor or engineer employed or selected by the District, with the approval of the City, which approval shall not be unreasonably withheld. Prior to awarding any bid for construction of Public Improvements, the intended award shall be reviewed and approved by the City Engineer or his designee. The District recognizes that it may be required to compensate the City for the time of any City employee or contractor required to perform such review.

6. Privately Placed Debt Limitation. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of a Municipal Advisor substantially as follows:

We are [I am] a Municipal Advisor within the meaning of the District's Governing Document.

We [I] certify that (1) the net effective interest rate to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

7. Annexation and Withdrawal.

(a) The District shall not include within any of its boundaries any property outside the District Area without the prior written consent of the City. The City, by resolution and this Governing Document, has consented to the annexation of any area within the Annexation Area Boundaries into the District. Such area may only be annexed upon the District obtaining consent of all property owners and registered voters, if any, within the area proposed to be annexed and the passage of a resolution of the Board approving such annexation.

(b) The City, by resolution and this Governing Document, has consented to the withdrawal of any area within the District Boundaries from the District. Such area may only be withdrawn upon the District obtaining consent of all property owners and registered voters, if any, within the area proposed to be withdrawn and the passage of a resolution of the Board approving such annexation.

(c) Any annexation or withdrawal shall be in accordance with the requirements of the PID Act.

(d) Upon any annexation or withdrawal, the District shall provide the City a description of the revised District Boundaries.

(e) Annexation or withdrawal of any area in accordance with V.A.6(a) and (b) shall not constitute an amendment of this Governing Document.

8. Overlap Limitation. The District shall not impose aggregate mill levy for payment of Debt that exceeds the Maximum Debt Mill Levy of the District. The District shall not consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the District unless the aggregate mill levy for payment of Debt of such proposed districts will not at any time exceed the Maximum Debt Mill Levy of the District, or unless such other district is approved by the City.

9. Initial Debt Limitation. On or before the effective date of approval by the City of an Approved Development Plan, the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds.

10. Total Debt Issuance Limitation. The Districts shall not issue Debt in excess of an aggregate amount of One Hundred Sixty Million Dollars (\$160,000,000). This amount excludes any portion of bonds issued to refund a prior issuance of debt by any of the Districts. In

addition, the Total Debt Issuance Limitation does not apply to the District's pledge of its property tax revenues to the Debt of one of the other Districts. In the event two or more Districts create an interlocal agency to issue debt, only the par amount issued by such agency shall count against the Total Debt Issuance Limitation rather than the individual amounts pledged by each District.

11. Eminent Domain. In no event shall any District have authority to exercise eminent domain or utilize any funds of the District to support any eminent domain action or proceeding without the prior approval of the City Council.

12. Bankruptcy Limitation. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, Maximum Debt Mill Levy Imposition Term and the Fees have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17D-4-201(5), Utah Code. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and

(b) Are, together with all other requirements of Utah law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Governing Document and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Governing Document Amendment.

13. Governing Document Amendment Requirement.

(a) This Governing Document has been designed with sufficient flexibility to enable the District to provide required facilities under evolving circumstances without the need for numerous amendments. Actions of the District which violate the limitations set forth in V.A.1-9 above or in VIII.B-G. shall be deemed to be material modifications to this Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

(b) Subject to the limitations and exceptions contained herein, this Governing Document may be amended by passage of a resolutions of the City and the District approving such amendment.

B. Preliminary Engineering Survey.

The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of the District, to be more specifically defined

in an Approved Development Plan. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the District Area and is approximately One Hundred Twenty-seven Million Dollars (\$127,000,000).

All of the Public Improvements will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the City and/or any other applicable public entity and shall be in accordance with the requirements of the Approved Development Plan. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

## **VI. THE BOARD OF TRUSTEES**

A. Board Composition. The Board shall be composed of 3 Trustees who shall be appointed by the City Council pursuant to the PID Act. Trustees 1, 2, and 3 shall initially be at large. Trustee terms shall be staggered with initial terms as follows: Trustee 2 shall serve an initial term of 4 years; Trustees 1 and 3 shall serve an initial term of 6 years. All terms shall commence on the date of issuance of a certificate of creation by the Office of the Lieutenant Governor of the State of Utah. In accordance with the PID Act, appointed Trustees shall not be required to be residents of the District.

B. Transition to Elected Board. Upon incorporation, the District shall estimate the total number of residential units within the District at full buildout of the property within the District (the “Anticipated REs”). Upon any annexation or withdrawal in accordance with this Governing Document, any affected District may adjust its Anticipated REs to reflect such boundary change. Respective board seats shall transition from appointed to elected seats according to the following milestones:

1. Trustee 1. Trustee 1 shall transition to an elected seat upon certificates of occupancy being issued for fifty percent (50%) of the Anticipated REs.

2. Trustee 2. Trustee 2 shall transition to an elected seat upon certificates of occupancy being issued for seventy-five percent (75%) of the Anticipated REs.

3. Trustee 3. Trustee 3 shall transition to an elected seat upon certificates of occupancy being issued for ninety percent (90%) of the Anticipated REs.

Notwithstanding the foregoing, any board seats which have not yet transitioned to an elected seat shall transition after twelve (12) years have passed from the date of issuance of a certificate of creation for the District. No transition pursuant to this Section shall become effective until the next scheduled regular election of the District. Registered voters within this Section shall mean voters whose “principal place of residence,” as that term is defined under Utah Code 20A-2-105(1)(a), is within the District.

C. Reelection and Reappointment. Upon the expiration of a Trustee’s respective term, any seat which has not transitioned to an elected seat shall be appointed by the City Council pursuant to the PID Act and any seat which has transitioned to an elected seat shall be elected

pursuant to an election held for such purpose. In the event that no qualified candidate files to be considered for appointment or files a declaration of candidacy for a seat, such seat may be filled in accordance with the Local District Act.

D. Vacancy. Any vacancy on the Board shall be filled pursuant to the Local District Act.

E. Compensation. Only Trustees who are residents of the District may be compensated for services as Trustee. Such compensation shall be in accordance with State Law.

F. Conflicts of Interest. Trustees shall disclose all conflicts of interest. Any Trustee who discloses such conflicts in accordance with 17D-4-202 and 67-16-9, Utah Code, shall be entitled to vote on such matters.

## **VII. REGIONAL IMPROVEMENTS**

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements. Regional Improvements may include, and may not be limited to, regional and connector roads; water, sewer and other utilities installed in said roads; an interchange at 3700 South Street and the Southern Parkway, and park and trail improvements.

Nothing herein shall prevent the City from financing and completing, or authorizing the finance and completion by another district, of other local or regional improvements not listed above, or approving other mill levies to facilitate the financing of the same.

## **VIII. FINANCIAL PLAN**

### **A. General.**

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from its revenues and by and through the proceeds of Debt to be issued by the District. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay within the Maximum Debt Mill Levy Imposition Term from revenues derived from the Maximum Debt Mill Levy and other legally available revenues. The total Debt that the Districts shall be permitted to issue shall not exceed One Hundred Fifty Million Dollars (\$150,000,000) and shall be permitted to be issued on a schedule and in such year or years as the Districts determine shall meet the needs of the Financial Plan referenced above and phased to serve development as it occurs. Any portion of bonds issued to refund a prior issuance of debt by the District shall not count against the permitted total Debt. The Total Debt Issuance Limitation shall not apply to the District's pledge of its property tax revenues to the Debt of one of the other Districts. In the event two or more Districts create an interlocal agency to issue debt, only the par amount issued by such agency shall count against the Total Debt Issuance Limitation rather than the individual amounts pledged by each District. All bonds and other Debt issued by the District may be payable from any and all legally available revenues of the District, including general ad valorem taxes to be imposed upon all Taxable Property within the District. The District will also rely upon various other revenue sources

authorized by law. These will include the power to assess Fees, penalties, or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time.

B. Maximum Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed fifteen percent (15%). The proposed maximum underwriting discount will be five percent (5%). Debt, when issued, will comply with all relevant requirements of this Governing Document, State law and Federal law as then applicable to the issuance of public securities.

C. Maximum Debt Mill Levy.

(a) The “Maximum Debt Mill Levy” shall be the maximum mill levy the District is permitted to impose in upon the taxable property within the District for payment of Limited Tax Debt, and shall be 0.0045 per dollar of taxable value of taxable property in the District; provided that such levy shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code. Such Maximum Debt Mill Levy may also be used to pay administrative expenses of the District. Further, the Districts may not impose mill levies which in aggregate exceed 0.0045 per dollar of taxable value of taxable property in the District Area; provided that such levies shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code.

(b) Such Maximum Debt Mill Levy may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202, Utah Code.

(c) It is anticipated that one or more of the Districts may overlap with a portion of the Bench Lake Public Improvement District (“BLPID”) approved by the City, given that the improvements proposed to be financed by the Districts may also benefit part of the area of the BLPID. The District may also overlap with another district or districts approved by the City. The BLPID is forbidden from levying a maximum mill levy in any overlap area which exceeds 0.003, which is the Maximum Debt Mill Levy of the BLPID. The aggregate mill levy of the Districts, the BLPID, and any other overlapping district together shall not in any event be permitted to exceed the Maximum Debt Mill Levy of the District, on any property located within any of the Districts and the BLPID, or the District and any other district.

D. Maximum Debt Mill Levy Imposition Term.

Each bond issued by the District shall mature within Thirty-One (31) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding forty (40) years from the first date of imposition of the mill levy for such bond (the “Maximum Debt Mill Levy Imposition Term”).

E. Debt Repayment Sources.

The District may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service. The District may also rely upon various other revenue sources authorized by law. At the District’s discretion, these may include the power

to assess penalties or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time. Except as described in Section VIII.C(a), the debt service mill levy in the District shall not exceed the Maximum Debt Mill Levy or, the Maximum Debt Mill Levy Imposition Term, except for repayment of General Obligation Debt.

The District shall not be permitted to charge an End User the costs of any portion of a Public Improvement for which such End User has already paid or is presently obligated to pay through any combination of mill levy or impact fee. This provision shall not prohibit the division of costs between mill levies or impact fees, but is intended to prevent double taxation of End Users for the costs of Public Improvements.

F. Debt Instrument Disclosure Requirement.

In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Governing Document for creation of the District.

Similar language describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Governing Document shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the District.

G. Security for Debt.

The District shall not pledge any revenue or property of the City as security for the indebtedness set forth in this Governing Document. Approval of this Governing Document shall not be construed as a guarantee by the City of payment of any of the District's obligations; nor shall anything in the Governing Document be construed so as to create any responsibility or liability on the part of the City in the event of default by the District in the payment of any such obligation.

H. District's Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the District's organization and initial operations, are anticipated to be Seventy-five Thousand Dollars (\$75,000), which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed. The first year's administrative operating budget is estimated to be approximately Seventy-five Thousand Dollars (\$75,000) which is anticipated to be borne by developer(s) until

such time a reimbursement can be derived from property taxes and other revenues, pursuant to a reimbursement agreement between the District and developers.

I. Bond and Disclosure Counsel.

It is the intent of the City that the District shall use competent and nationally recognized bond and disclosure counsel and Municipal Advisor with respect to District Bonds to ensure proper issuance and compliance with this Governing Document. The District has agreed to utilize the City's counsel, Gilmore & Bell, P.C., as bond and disclosure counsel and Zions Public Finance, Inc., as Municipal Advisor with respect to District Bonds as permitted by law. The foregoing requirement may be waived by vote of the City Council.

IX. ANNUAL REPORT

A. General.

The District shall be responsible for submitting an annual report to the City Manager's Office no later than 180 days following the end of the District's fiscal year.

B. Reporting of Significant Events.

The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.
2. List of current interlocal agreements, if changed (to be delivered to the City upon request);
3. Names and terms of Board members and officers and progress towards milestones required for transition to elected Board;
4. District office contact information;
5. Rules and regulations of the District regarding bidding, conflict of interest, contracting, and other governance matters, if changed;
6. A summary of any litigation which involves the District Public Improvements as of the last day of the prior fiscal year;
7. Status of the District's construction of the Public Improvements as of last day of the prior fiscal year and listing all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of the last day of the prior fiscal year;
8. A table summarizing total debt authorized and total debt issued by the District as well as any presently planned debt issuances;

9. Official statements of current outstanding bonded indebtedness, if not previously provided to the City;

10. Current year budget including a description of the Public Improvements to be constructed in such year;

11. The District's financial statements, for the previous fiscal year, such statements shall be audited if required pursuant to State law or relevant bond documents (such statements shall be submitted within 30 days of completion if completed after 180 days following the end of the fiscal year);

12. Notice of any uncured events of default by the District, which continue beyond a 90 day period, under any Debt instrument; and

13. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a 90 day period.

## **X. DISSOLUTION**

Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations as required pursuant to State statutes.

## **XI. DISCLOSURE TO PURCHASERS**

Within thirty (30) days of the City adopting a resolution creating the District, the Board shall record a notice with the recorder of Washington County. Such notice shall (a) contain a description of the boundaries of the District, (b) state that a copy of this Governing Document is on file at the office of the City, (c) state that the District may finance and repay infrastructure and other improvements through the levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filed with the City.

In addition, the Applicant and the Board shall ensure that the Applicant, homebuilders, commercial developers, and commercial lessors, as applicable, disclose the following information to initial resident homeowners, renters, commercial property owners, and/or commercial tenants:

- (1) All of the information in the first paragraph of this XI;
- (2) A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“Under the maximum property tax rate of the District, **for every \$100,000 of taxable value**, there would be an **additional annual property tax of \$450** for the duration of the District's Bonds.”

- (3) Such disclosures shall be contained on a separate-colored page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.

## **XII. INTERLOCAL AGREEMENT**

The form of the Interlocal Agreement required by the City Code, relating to the limitations imposed on the District's activities, is attached hereto as **Exhibit D**. The District shall approve the Interlocal Agreement in the form attached as **Exhibit D** at its first Board meeting after its organization. Failure of the District to execute the Interlocal Agreement as required herein shall constitute a material modification and shall require a Governing Document Amendment. The City Council shall approve the Interlocal Agreement in the form attached as **Exhibit D** at the public hearing approving the Governing Document.



SAND HOLLOW MESA P.I.D. NO. 2 LEGAL DESCRIPTION

BEGINNING AT THE CENTER QUARTER CORNER OF SECTION 29, TOWNSHIP SOUTH, RANGE 13 WEST, SALT LAKE BASE & MERIDIAN;  
THENCE S00°55'44"W 1318.48 FEET; THENCE N88°56'29"W 1317.35 FEET;  
THENCE S00°58'12"W 1318.53 FEET; THENCE N88°56'37"W 1318.30 FEET;  
THENCE S00°54'56"W 1312.19 FEET; THENCE N88°57'41"W 1322.27 FEET;  
THENCE N00°57'56"E 1313.59 FEET; THENCE N88°54'03"W 1321.13 FEET;  
THENCE N00°59'47"E 1017.22 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY 7;  
THENCE ALONG SAID LINE THE FOLLOWING FOUR (4) COURSES: N62°49'28"E 959.14 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF A 4195.84 FOOT RADIUS CURVE TO THE LEFT (LONG CHORD BEARS: N56°45'12"E 886.60 FEET), CENTER POINT LIES N27°10'55"W THROUGH A CENTRAL ANGLE OF 12°07'46" A DISTANCE OF 888.26 FEET;  
THENCE N60°44'58"E 106.64 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF A 4199.99 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT (LONG CHORD BEARS: N44°10'55"E 738.36 FEET), CENTER POINT LIES N40°46'31"W THROUGH A CENTRAL ANGLE OF 10°05'08" A DISTANCE OF 739.32 FEET;  
THENCE S50°51'31"E 1147.90 FEET; THENCE S43°01'57"E 119.55 FEET;  
THENCE N53°27'03"E 632.02 FEET; THENCE N32°42'08"E 564.20 FEET;  
THENCE S88°55'38"E 1316.41 FEET TO THE POINT OF BEGINNING.

AREA CONTAINS 10,951,391 SQUARE FEET OR 251.409 ACRES.

SAND HOLLOW MESA ANNEXATION AREA LEGAL DESCRIPTION

BEGINNING AT THE SOUTHWEST CORNER OF SECTION (THE COMMON CORNER TO SECTIONS 29, 30, 31 & 32), TOWNSHIP 42 SOUTH, RANGE 13 WEST, SALT LAKE BASE AND MERIDIAN; THENCE S00°54'56"W, ALONG THE EAST SECTION LINE OF SECTION 31, 1312.19 FEET TO THE 1/16 CORNER OF SAID SECTION 31; THENCE N88°57'41"W, ALONG THE 1/16TH LINE, 1322.27 FEET TO THE NORTH-SOUTH 1/16TH LINE; THENCE N00°57'56"E, ALONG THE 1/16TH/ LINE, 1313.59 FEET TO THE 1/16TH CORNER ON THE SOUTH SECTION LINE OF SECTION 30; THENCE N88°53'33"W, ALONG THE SOUTH SECTION LINE, 1321.14 FEET TO THE SOUTH 1/4 CORNER OF SECTION 30; THENCE N00°59'47"E, ALONG THE 1/4 SECTION LINE, 2636.98 FEET TO THE CENTER QUARTER CORNER OF SECTION 30; THENCE S88°55'00"E. ALONG THE 1/4 SECTION LINE, 1321.47 FEET TO THE 1/16TH CORNER; THENCE N00°58'28"E, ALONG THE NORTH-SOUTH 1/16TH LINE, 2640.21 FEET TO THE 1/16TH CORNER ON THE SOUTH SECTION LINE OF SECTION 19; THENCE N01°01'32"E, ALONG THE NORTH-SOUTH 1/16TH LINE, 2637.48 FEET TO THE 1/16TH CORNER IN SECTION 19; THENCE S88°58'31"E, ALONG THE 1/4 SECTION LINE, 329.89 FEET; THENCE N01°01'40"E 329.70 FEET; THENCE N88°58'43"W 329.86 FEET TO THE NORTH-SOUTH 1/16TH LINE; THENCE N01°01'53"E, ALONG THE 1/16TH LINE, 989.05 FEET TO THE 1/16TH CORNER; THENCE S88°59'18"E, ALONG THE EAST-WEST 1/16TH LINE, 659.61 FEET; THENCE N01°01'27"E 659.45 FEET; THENCE N88°59'42"W 989.29 FEET; THENCE S01°02'06"W 659.33 FEET TO THE EAST-WEST 1/16TH LINE; THENCE N88°59'18"W, ALONG THE 1/16TH LINE, 989.41 FEET TO THE 1/4 SECTION LINE; THENCE N01°02'44"E, ALONG THE 1/4 SECTION LINE, 1318.43 FEET TO THE NORTH QUARTER CORNER OF SECTION 19; THENCE S89°00'06"E, ALONG THE NORTH SECTION LINE OF SECTION 19, 2637.77 FEET TO THE COMMON CORNER OF SECTION 17, 18, 19, 20 (NORTHEAST CORNER OF SECTION 19); THENCE S88°57'52"E, ALONG THE NORTH SECTION LINE OF SECTION 20, 1316.43 FEET TO THE 1/16TH CORNER; THENCE S01°01'06"W, ALONG THE 1/16TH LINE, 2639.62 FEET; THENCE S01°00'58"W, ALONG THE 1/16TH LINE, 1319.92 FEET TO THE 1/16TH CORNER; THENCE S88°51'19"E, ALONG THE 1/16TH LINE, 1316.11 FEET TO THE 1/4 SECTION LINE OF SECTION 20; THENCE S01°01'38"W, ALONG THE 1/4 SECTION LINE, 1320.77 FEET TO THE SOUTH 1/4 CORNER OF SECTION 20, ALSO THE NORTH 1/4 CORNER OF SECTION 29; THENCE S00°55'44"W, ALONG THE 1/4 SECTION LINE IN SECTION 29, 1318.21 FEET TO THE 1/16TH CORNER; THENCE S88°52'39"E, ALONG THE 1/16TH LINE, 2638.18 FEET TO THE EAST SECTION LINE; THENCE S00°39'45"W, ALONG THE EAST SECTION LINE, 1315.42 FEET TO THE EAST 1/4 CORNER OF SECTION 29; THENCE N88°55'38"W, ALONG THE 1/4 SECTION LINE, 2644.29 FEET TO THE NORTH-SOUTH 1/4 SECTION LINE; THENCE S0°55'44"W, ALONG THE 1/4 SECTION LINE, 1318.48 FEET TO THE 1/16TH LINE; THENCE N88°56'29"W, ALONG THE EAST-WEST 1/16TH LINE, 1317.35 FEET TO THE NORTH-SOUTH 1/16TH LINE; THENCE S0°58'12"W, ALONG THE 1/16TH LINE, 1318.53 FEET TO THE SOUTH SECTION LINE; THENCE N88°56'37"W ALONG SAID LINE, 1318.30 FEET TO THE POINT OF BEGINNING.

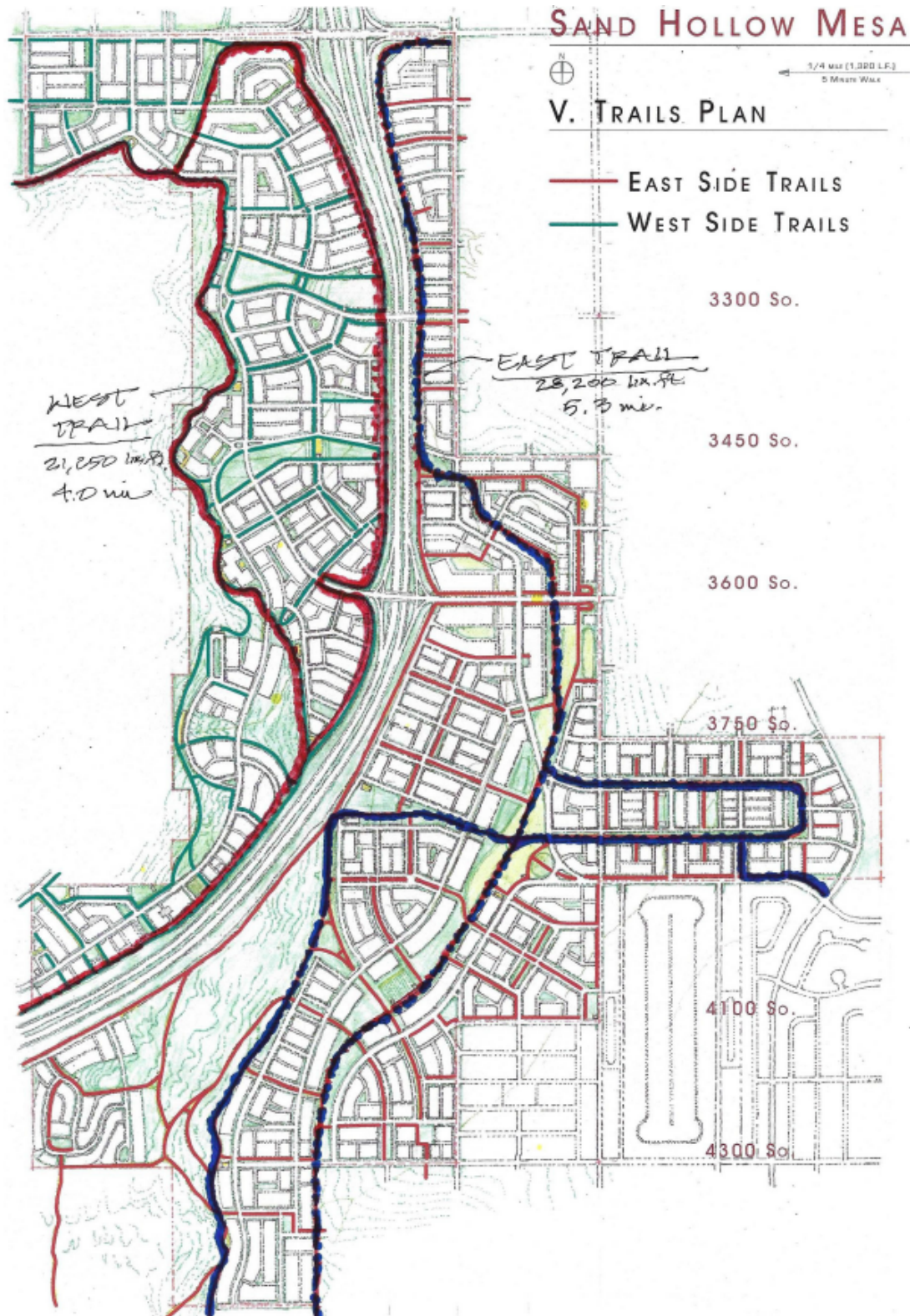
AREA CONTAINS 44,450,513 SQUARE FEET OR 1020.443 ACRES.

LEGAL DESCRIPTION INCLUDES 91.24 ACRES FOR THE SR-7 HIGHWAY AND 5.63 ACRES FOR COPPER ROCK PARKWAY AND 2100 WEST ROAD.

LESS AND EXCEPTING THE LEGAL DESCRIPTION FOR SAND HOLLOW MESA PID NO. 2 SET FORTH ABOVE.

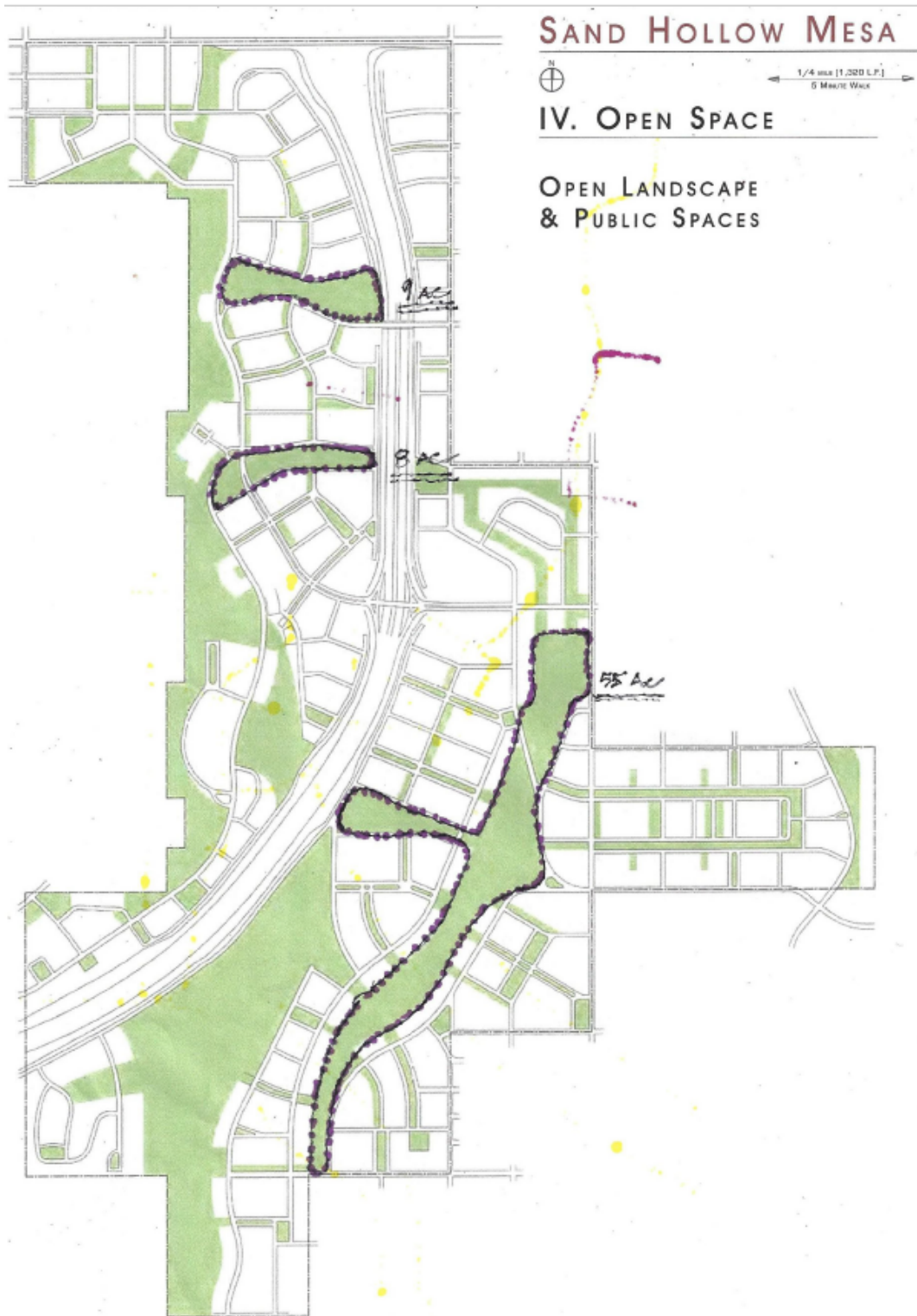
# EXHIBIT B

## Trails Plan



# EXHIBIT C

## Open Space Plan



**EXHIBIT D**

Proposed Scope of Financing for Each of the Districts

*(see following pages)*

<b>HOLLOW MESA PID DISTRICT #1 ESTIMATE</b>				
<b>15-Mar-22</b>				
SAND HOLLOW MESA				
PUBLIC IMPROVEMENT DISTRICT #1				
TOTAL ESTIMATE				
<b>ITEM DESCRIPTION</b>	<b>UNIT PRICE</b> Dollars & Cents	<b>QUANTITY</b>	<b>UNITS</b>	<b>ITEM PRICE</b> Dollars & Cents
<b>P.I.D. ITEMS</b>				
UDOT Approved Interchange	\$ 9,500,000.00	1	LS	\$ 9,500,000.00
Public Utilities	\$ 15,750,000.00	1	LS	\$ 15,750,000.00
Master Planned Public Roadways	\$ 15,656,250.00	1	LS	\$ 15,656,250.00
Public Safety Building	\$ 5,000,000.00	1	LS	\$ 5,000,000.00
Eco-Friendly Irrigation System	\$ 3,862,500.00	1	LS	\$ 3,862,500.00
Public Trails and Facilities	\$ 3,168,750.00	1	LS	\$ 3,168,750.00
City Parks & Open Spaces	\$ 3,562,500.00	1	LS	\$ 3,562,500.00
				\$ -
<b>TOTAL of ITEMS 1 THRU 7=</b>				<b>\$ 56,500,000.00</b>
S.H. MESA PID#1 TOTAL		<b>\$ 56,500,000.00</b>		
ENGINEERING, CONST MGMT, AND TESTING		10% INCLUDED		
CONTINGENCY		10% INCLUDED		
<b>GRAND TOTAL</b>		<b>\$ 56,500,000.00</b>		
<b>ITEMS INCLUDED IN THE MASTER PLANNED ROADS</b>		<b>ITEMS INCLUDED IN PUBLIC FACILITY</b>		
Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.		Includes FIRE/POLICE station with site improvements for a new public safety building		
<b>ITEMS INCLUDED IN THE 3700 SOUTH INTERCHANGE</b>		<b>ITEMS INCLUDED IN IRRIGATION</b>		
Includes overpass bridge, on & off ramps, roadway improvements, utility work, lights, and trail route.		Includes irrigation pipes, connections to deliver future irrigation water.		
<b>ITEMS INCLUDED IN THE PARKS</b>				
Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.				
<b>ITEMS INCLUDED IN THE TRAILS</b>				
Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.				

PID #1 SCOPE:

**ITEMS INCLUDED IN THE MASTER PLANNED ROADS**

---

Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.

**ITEMS INCLUDED IN THE 3700 SOUTH INTERCHANGE**

---

Includes overpass bridge, on & off ramps, roadway improvements, utility work, lights, and trail route.

**ITEMS INCLUDED IN THE PARKS**

---

Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.

**ITEMS INCLUDED IN THE TRAILS**

---

Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.

**ITEMS INCLUDED IN PUBLIC FACILITY**

---

Includes FIRE/POLICE station with site improvements for a new public safety building

---

**ITEMS INCLUDED IN IRRIGATION**

---

Includes irrigation pipes, connections to deliver future irrigation water.

---

<b>SAND HOLLOW MESA PID DISTRICT #2 ESTIMATE</b>					
<b>Date: 15-Mar-22</b>					
<b>SAND HOLLOW MESA</b>					
<b>PUBLIC IMPROVEMENT DISTRICT #2</b>					
<b>TOTAL ESTIMATE</b>					
<b>ITEM No.</b>	<b>ITEM DESCRIPTION</b>	<b>UNIT PRICE Dollars &amp; Cents</b>	<b>QUANTITY</b>	<b>UNITS</b>	<b>ITEM PRICE Dollars &amp; Cents</b>
<b>P.I.D. ITEMS</b>					
1	Public Utilities	\$ 15,750,000.00	1	LS	\$ 15,750,000.00
2	Master Planned Public Roadways	\$ 15,656,250.00	1	LS	\$ 15,656,250.00
3	Eco-Friendly Irrigation System	\$ 3,862,500.00	1	LS	\$ 3,862,500.00
4	Public Trails and Facilities	\$ 3,168,750.00	1	LS	\$ 3,168,750.00
5	City Parks & Open Spaces	\$ 3,562,500.00	1	LS	\$ 3,562,500.00
					\$ -
<b>TOTAL of ITEMS 1 THRU 4=</b>					<b>\$ 42,000,000.00</b>
S.H. MESA PID#2 TOTAL		<b>\$ 42,000,000.00</b>			
ENGINEERING, CONST MGMT, AND TESTING		10% INCLUDED			
CONTINGENCY		10% INCLUDED			
<b>GRAND TOTAL</b>		<b>\$ 42,000,000.00</b>			
<b>ITEMS INCLUDED IN THE MASTER PLANNED ROADS</b>			<b>ITEMS INCLUDED IN IRRIGATION</b>		
Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.			Includes irrigation pipes, connections to deliver future irrigation water.		
<b>ITEMS INCLUDED IN THE PARKS</b>					
Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.					
<b>ITEMS INCLUDED IN THE TRAILS</b>					
Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.					

PID #2 SCOPE:

**ITEMS INCLUDED IN THE MASTER PLANNED  
ROADS**

---

Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.

**ITEMS INCLUDED IN IRRIGATION**

---

Includes irrigation pipes, connections to deliver future irrigation water.

---

**ITEMS INCLUDED IN THE PARKS**

---

Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.

**ITEMS INCLUDED IN THE TRAILS**

---

Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.

<b>SAND HOLLOW MESA PID DISTRICT #3 ESTIMATE</b>					
<b>Date: 15-Mar-22</b>					
SAND HOLLOW MESA					
PUBLIC IMPROVEMENT DISTRICT #3					
TOTAL ESTIMATE					
<b>ITEM No.</b>	<b>ITEM DESCRIPTION</b>	<b>UNIT PRICE Dollars &amp; Cents</b>	<b>QUANTITY</b>	<b>UNITS</b>	<b>ITEM PRICE Dollars &amp; Cents</b>
<b>P.I.D. ITEMS</b>					
1	Public Utilities	\$ 10,500,000.00	1	LS	\$ 10,500,000.00
2	Master Planned Public Roadways	\$ 10,437,500.00	1	LS	\$ 10,437,500.00
3	Eco-Friendly Irrigation System	\$ 2,575,000.00	1	LS	\$ 2,575,000.00
4	Public Trails and Facilities	\$ 2,112,500.00	1	LS	\$ 2,112,500.00
5	City Parks & Open Spaces	\$ 2,375,000.00	1	LS	\$ 2,375,000.00
					\$ -
<b>TOTAL of ITEMS 1 THRU 5=</b>					<b>\$ 28,000,000.00</b>
S.H. MESA PID#3 TOTAL		<b>\$ 28,000,000.00</b>			
ENGINEERING, CONST MGMT, AND TESTING		10% INCLUDED			
CONTINGENCY		10% INCLUDED			
<b>GRAND TOTAL</b>		<b>\$ 28,000,000.00</b>			
<b>ITEMS INCLUDED IN THE MASTER PLANNED ROADS</b>			<b>ITEMS INCLUDED IN IRRIGATION</b>		
Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.			Includes irrigation pipes, connections to deliver future irrigation water.		
<b>ITEMS INCLUDED IN THE PARKS</b>					
Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.					
<b>ITEMS INCLUDED IN THE TRAILS</b>					
Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.					

PID #3 SCOPE:

**ITEMS INCLUDED IN THE MASTER PLANNED  
ROADS**

---

Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.

**ITEMS INCLUDED IN IRRIGATION**

---

Includes irrigation pipes, connections to deliver future irrigation water.

---

**ITEMS INCLUDED IN THE PARKS**

---

Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.

**ITEMS INCLUDED IN THE TRAILS**

---

Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.

**EXHIBIT E**  
**INTERLOCAL AGREEMENT BETWEEN**  
**HURRICANE CITY, UTAH**  
**AND**  
**SAND HOLLOW MESA PUBLIC INFRASTRUCTURE DISTRICT NO. 2**

THIS AGREEMENT is made and entered into as of this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between HURRICANE CITY, a home-rule municipal corporation of the State of Utah (“City”), and SAND HOLLOW MESA PUBLIC INFRASTRUCTURE DISTRICT NO. 2, a political subdivision of the State of Utah (the “District”). The City and the District are collectively referred to as the Parties.

**RECITALS**

WHEREAS, the District was organized to provide to exercise powers as are more specifically set forth in the District’s Governing Document approved by the City on March 3, 2022 (“Governing Document”); and

WHEREAS, the Governing Document makes reference to the execution of an Interlocal Agreement between the City and the District; and

WHEREAS, the City and the District have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Interlocal Agreement (“Agreement”).

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

**COVENANTS AND AGREEMENTS**

1. **Operations and Maintenance.** The District shall dedicate the Public Improvements (as defined in the Governing Document) to the City or other appropriate jurisdiction in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. The District shall be authorized, but not obligated, to own Public Improvements not otherwise required to be dedicated to the City or other public entity, and all necessary equipment and appurtenances incident thereto. Trails which are interconnected with a city or regional trail system shall be open to the public free of charge and on the same basis as residents and owners of taxable property within the District.

2. **Improvements Limitation.** Without written authorization of the City, the District shall not be authorized to finance the costs of any improvements or facilities which are to be ultimately owned by one of the Districts.

**Construction Standards.** The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of

other governmental entities having proper jurisdiction, as applicable. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work. The District may satisfy any City requirements for guaranty of performance of infrastructure completion by delivering to the City documentation evidencing the funds available to the District for such infrastructure as a result of the bonds issued by the District.

3. Issuance of Privately Placed Debt. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of a Municipal Advisor substantially as follows:

We are [I am] a Municipal Advisor within the meaning of the District's Governing Document.

We [I] certify that (1) the net effective interest rate to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

4. Inclusion Limitation. The District shall not include within any of their boundaries any property outside the District Area without the prior written consent of the City. By the Governing Document, the City has consented to the annexation or withdrawal of any area within the Annexation Area into or from the District Boundaries. The District shall not include within any of its boundaries any property inside the inclusion area boundaries without the prior written consent of the City except upon petition of the surface property owners of 100 percent of such property and/or 100 percent of registered voters within the area to be included, as applicable, as provided in Section 17D-4-201(3), Utah Code.

5. Overlap Limitation. It is anticipated that one or more of the Districts may overlap with a portion of the Bench Lake Public Improvement District ("BLPID") approved by the City, given that the improvements proposed to be financed by the Districts may also benefit part of the area of the BLPID. The BLPID is forbidden from levying a maximum mill levy in the overlap area which exceeds 0.003, which is the Maximum Debt Mill Levy of the BLPID. The aggregate mill levy of the Districts and the BLPID together shall not in any event be permitted to exceed the Maximum Debt Mill Levy of the District, on any property located within any of the Districts and the BLPID. The Districts shall not, without the prior authorization of the City Council, consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the Districts.

6. Initial Debt. On or before the effective date of approval by the City of an Approved Development Plan (as defined in the Governing Document), the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any fees used for the purpose of repayment of Debt.

7. Total Debt Issuance. The Districts shall not issue Debt in excess of an aggregate amount of One Hundred Fifty Million Dollars (\$150,000,000). This amount excludes any portion of bonds issued to refund a prior issuance of debt by any of the Districts. In addition, the Total Debt Issuance Limitation does not apply to the District's pledge of its property tax revenues to the Debt of one of the other Districts. In the event two or more Districts create an interlocal agency to issue debt, only the par amount issued by such agency shall count against the Total Debt Issuance Limitation rather than the individual amounts pledged by each District.

8. Bankruptcy. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17D-4-201(4), Utah Code. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and

(b) Are, together with all other requirements of Utah law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Governing Document and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Governing Document Amendment.

9. Dissolution. Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to State statutes.

10. Disclosure to Purchasers. Within thirty (30) days of the City adopting a resolution creating the District, the Board shall record a notice with the recorder of Washington County, Utah. Such notice shall (a) contain a description of the boundaries of the District, (b) state that a copy of this Governing Document is on file at the office of the City, (c) state that the District may finance and repay infrastructure and other improvements through the levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filled with the City.

In addition, the Applicant and the Board shall ensure that the Applicant, homebuilders, commercial developers, and commercial lessors, as applicable, disclose the following information to initial resident homeowners, renters, commercial property owners, and/or commercial tenants:

(a) All of the information in the first paragraph of 11 of this Agreement;

(b) A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“Under the maximum property tax rate of the District, **for every \$100,000 of taxable value**, there would be an **additional annual property tax of \$450** for the duration of the District’s Bonds.”

(c) Such disclosures shall be contained on a separate-colored page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.

11. Governing Document Amendment Requirement. Actions of the District which violate the limitations set forth in V.A.1-9 or VIII.B-G of the Governing Document shall be deemed to be material modifications to the Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

12. Annual Report. The District shall be responsible for submitting an annual report to the City Manager’s Office no later than 180 days following the closing of the District’s fiscal year, containing the information set forth in Section VIII of the Governing Document.

13. Regional Improvements. The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements.

14. Maximum Debt Mill Levy.

(a) The “Maximum Debt Mill Levy” shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Limited Tax Debt shall be 0.0045 per dollar of taxable value of taxable property in the District; provided that such levy shall be subject to adjustment as provided in Section 17D-4-301(8). Such Maximum Debt Mill Levy may also be used to pay administrative expenses of the District. Further, the Districts may not impose mill levies which aggregate in excess of 0.0045 per dollar of taxable value of taxable property in the District; provided that such levies shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code.

(b) Such Maximum Debt Mill Levy may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202.

(c) Any other mill levy imposed by any other district with the authorization of the City shall not be applied toward the calculation of the Maximum Debt Mill Levy.

15. Maximum Debt Mill Levy Imposition Term. Each bond issued by the District shall mature within thirty-one (31) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding forty (40)

years from the first date of imposition of the mill levy for such bond (the “Maximum Debt Mill Levy Imposition Term”).

16. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District:                    Sand Hollow Mesa Public Infrastructure District  
    No. 2  
    c/o Snow Jensen & Reece, PC  
    912 West 1600 South, Ste. B200  
    St. George, UT 84770  
    Attn: Matthew J. Ence  
    Phone: (435) 628-3688

To the City:                            Hurricane City  
    147 N 870 W  
    Hurricane, UT 84737  
    Attn: City Manager  
    Phone: (435) 635-2811

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

17. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Governing Document.

18. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

19. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys’ fees.

20. Term. This Agreement shall terminate upon the earlier to occur of dissolution of the District or fifty (50) years from the date hereof.

21. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Utah.

22. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

23. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

24. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the City any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the City shall be for the sole and exclusive benefit of the District and the City.

25. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

26. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

27. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

28. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Governing Document.

**[SIGNATURE PAGE TO INTERLOCAL AGREEMENT]**

SAND HOLLOW MESA PUBLIC  
INFRASTRUCTURE DISTRICT NO. 2

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

Attest:

\_\_\_\_\_  
Secretary

APPROVED AS TO FORM: \_\_\_\_\_

HURRICANE CITY, UTAH

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

Attest:

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

APPROVED AS TO FORM: \_\_\_\_\_

**GOVERNING DOCUMENT  
FOR  
SAND HOLLOW MESA PUBLIC INFRASTRUCTURE DISTRICT NO. 3  
HURRICANE CITY, UTAH**

**March 23, 2022**

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<b>EXHIBIT E</b>	Interlocal Agreement between the District and Hurricane City

## I. INTRODUCTION

### A. Purpose and Intent.

The District is an independent unit of local government, separate and distinct from the City, and, except as may otherwise be provided for by State or local law or this Governing Document, its activities are subject to review by the City only insofar as they may deviate in a material matter from the requirements of the Governing Document. It is intended that the District will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements. The District is not being created to provide any ongoing operations and maintenance services.

### B. Need for the District.

There are currently no other governmental entities, including the City, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

### C. Objective of the City Regarding District's Governing Document.

The City's objective in approving the Governing Document for the District is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the District. All Debt is expected to be repaid by taxes imposed and collected for no longer than the Maximum Debt Mill Levy Imposition Term and at a tax mill levy no higher than the Maximum Debt Mill Levy for all commercial and residential properties. Debt which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Governing Document is intended to establish a limited purpose for the District and explicit financial constraints that are not to be violated under any circumstances. The primary purpose is to provide for the Public Improvements associated with development and regional needs. Although the District has authority to directly provide public improvements, the District also has the authority to pledge tax revenues to an interlocal entity that provides public improvements.

It is the intent of the District to dissolve upon payment or defeasance of all Debt incurred or upon a determination that adequate provision has been made for the payment of all Debt.

The District shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from tax revenues collected from a mill levy which shall not exceed

the Maximum Debt Mill Levy on taxable properties and which shall not exceed the Maximum Debt Mill Levy Imposition Term on taxable properties. It is the intent of this Governing Document to assure to the extent possible that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy in amount and that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy Imposition Term in duration even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters are not costs to be paid by the District.

## **II. DEFINITIONS**

In this Governing Document, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Annexation Area Boundaries: means the boundaries of the area described in the Annexation Area Boundary Map which have been approved by the City for annexation or withdrawal from or into one of the Districts upon the meeting of certain requirements.

Annexation Area Boundary Map: means the map depicting the Annexation Area Boundaries attached hereto as **Exhibit A**, describing the property proposed for annexation within the District.

Approved Development Plan: means a Preliminary Development Plan or other process established by the City for identifying, among other things, Public Improvements necessary for facilitating development for property within the District Area as approved by the City pursuant to the City Code and as amended pursuant to the City Code from time to time. For purposes of this Governing Document, the Master Plan / PDO Concept Submittal dated January 14, 2021, as approved by the City on March 4, 2021, shall constitute an Approved Development Plan.

Board: means the board of trustees of the District.

Bond, Bonds or Debt: means bonds or other obligations, including loans of any property owner, for the payment of which the District has promised to impose an ad valorem property tax mill levy.

City: means Hurricane City, Utah.

City Code: means the City Code of Hurricane City, Utah.

City Council: means the City Council of Hurricane City, Utah.

District: means the Sand Hollow Mesa Public Infrastructure District No. 3.

District Area: means the property within the Initial District Boundary Map and the Annexation Area Boundary Map.

Districts: means collectively, the District, Sand Hollow Mesa Public Infrastructure District No. 1, and Sand Hollow Mesa Public Infrastructure District No. 2, contemplated to be created contemporaneously with one another.

End User: means any owner, or tenant of any owner, of any taxable improvement within the District, who is intended to become burdened by the imposition of ad valorem property taxes subject to the Maximum Debt Mill Levy. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an End User. The business entity that constructs homes or commercial structures is not an End User.

Fees: means any fee imposed by the District for administrative services provided by the District.

Financial Plan: means the Financial Plan described in Section VIII which describes (i) the potential means whereby the Public Improvements may be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

General Obligation Debt: means a Debt that is directly payable from and secured by ad valorem property taxes that are levied by the District and does not include Limited Tax Debt.

Governing Document: means this Governing Document for the District approved by the City Council.

Governing Document Amendment: means an amendment to the Governing Document approved by the City Council in accordance with the City's ordinance and the applicable state law and approved by the Board in accordance with applicable state law.

Initial District Boundaries: means the boundaries of the area described in the Initial District Boundary Map.

Initial District Boundary Map: means the map depicting the Initial District Boundaries attached hereto as **Exhibit A**, describing the District's initial boundaries.

Limited Tax Debt: means a debt that is directly payable from and secured by ad valorem property taxes that are levied by the District which may not exceed the Maximum Debt Mill Levy.

Local District Act: means Title 17B of the Utah Code, as amended from time to time.

Maximum Debt Mill Levy: means the maximum mill levy the District is permitted to impose for payment of Debt as set forth in Section VIII.C below.

Maximum Debt Mill Levy Imposition Term: means the maximum term for imposition of a mill levy for any given series of bonds as set forth in Section VIII.D below.

Municipal Advisor: means a consultant that: (i) advises Utah governmental entities on matters relating to the issuance of securities by Utah governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be an individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (iii) is not an officer or employee of the District.

Project: means the development or property commonly referred to as the Sand Hollow Mesa Project.

PID Act: means Title 17D, Chapter 4 of the Utah Code, as amended from time to time and any successor statute thereto.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as generally described in the Local District Act, except as specifically limited in Section V below to serve the future taxpayers and inhabitants of the District Area as determined by the Board.

Regional Improvements: means Public Improvements and facilities that benefit the District Area and which are to be financed pursuant to Section VII below.

State: means the State of Utah.

Taxable Property: means real or personal property within the District Area subject to ad valorem taxes imposed by the District.

Trustee: means a member of the Board.

Utah Code: means the Utah Code Annotated 1953, as amended.

### **III. BOUNDARIES**

The area of the Initial District Boundaries includes approximately three hundred fifty-three (353.423) acres and the total area proposed to be included in the Annexation Area Boundaries is approximately nine hundred twenty-nine (929.217) acres and includes all property within the District as well as an additional approximately five hundred seventy-six (575.794) acres. Maps of the Initial District Boundaries and Annexation Area Boundaries, and legal descriptions of the Initial District Boundaries and the Annexation Area Boundaries are attached hereto together as **Exhibit A**. It is anticipated that the District's boundaries may change from time to time as it undergoes annexations and withdrawals pursuant to Section 17B-4-201, Utah Code, subject to Article V below.

### **IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION**

The District Area consists of approximately nine hundred twenty-nine (929.217) acres of mostly undeveloped land. The current assessed valuation of the District Area at build out, is

expected to be sufficient to reasonably discharge the Debt under the Financial Plan. The population of the District Area at build-out is estimated to be approximately 9,000 people.

Approval of this Governing Document by the City does not imply approval of the development of a specific area within the District, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Governing Document or any of the exhibits attached thereto, unless the same is contained within an Approved Development Plan.

## V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES

### A. Powers of the District and Governing Document Amendment.

The District shall have the power and authority to provide the Public Improvements within and without the boundaries of the District as such power and authority is described in the Local District Act, and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein.

1. Improvements. The District shall have authority to provide for the planning, design, acquisition, construction, installation, and dedication to the City or other appropriate public agencies of the Public Improvements within and without the boundaries of the District. Plans for all Public Improvements to be financed must be reviewed and approved by the City and other appropriate public service entity through established review processes prior to commencement of construction. The District is authorized to finance the following improvements (the “Pre-Requisite Improvements”), prioritized as follows, and as generally depicted in or required by the Approved Development Plan:

(a) *UDOT Approved Interchange.* A UDOT approved and designed interchange at 3700 South Street, including two trails, one 12' and one 5', and two separate bike lanes. Estimated total cost \$9,500,000.

(b) *Master and Regional Utility Improvements.* Dedications and improvements related to master-planned public utilities within the property and regional improvements to service the property. Estimated total cost \$40,000,000.

(c) *Master Planned Public Roadways.* All master planned public roadways depicted on the City’s most recent master road plan, including sidewalks, shared-use paths/trails, and curb/gutter as required by City standards, as depicted in yellow on the Initial District Boundary Map, and as listed in the Table of Master Planned Roads, attached hereto as **Exhibit A**. Estimated total cost \$41,324,000.

(d) *Public Safety Building.* Construction by the City of a public safety building to house fire and/or police services located within the Project, in a location and of a design to be approved by the City. When funding for the building is obtained, funds will be provided directly to the City and/or the Hurricane Valley Fire District in return for a commitment that funds will only be

used for the purposes authorized herein. The District will notify the City and Hurricane Valley Fire District in advance of the anticipated timing of financing for the public safety building, and if the City and District prefer, will defer financing to be issued later by another of the Districts. Estimated total cost \$5,000,000.

(e) *Trails and Related Improvements.* 9.2 miles of public trails, trailheads, parking and restrooms with drinking facilities. The main trails connecting the Project to adjacent properties and trail systems would be 12' wide. The locations of public trails to be financed are depicted generally on the Trails Plan map, a copy of which is incorporated into **Exhibit B**. Estimated total cost \$8,440,000.

(f) *City Parks and Public Open Space.* Dedication and improvement of city parks and open spaces of at least 72 acres of the 279 acres of open space planned for the project. The 72 acres will be of developable land, and 51 of the 72 acres will be improved as active or programmable park spaces (the remaining approximately 21 acres would be passive park space). Conditioned on availability of required permits, one of the city parks will include a public fishing pond. Other improvements to programmable park space will be as proposed by developer and approved by City staff. The locations of public parks and open space to be financed are depicted generally on the Open Space map, a copy of which is incorporated into **Exhibit C**. Estimated total cost \$9,500,000.

(g) *Secondary Irrigation System.* Dedications and improvements required for a secondary irrigation system that would meet Governor Cox's proposed water conservation plan to utilize as little water as possible in public spaces throughout the property. Estimated total cost \$10,274,000.

It is anticipated that the Districts together will have the capacity to finance the Pre-Requisite Improvements. **Exhibit D** provides one possible approach to dividing the costs of the Pre-Requisite Improvements between the Districts; however, the final division of costs to be financed between the Districts will be determined by the Boards of the Districts based on final development phasing and bond market conditions.

In the event that the financing capacity of the Districts together, including all property annexed into each District, is not sufficient to fully finance all of the Pre-Requisite Improvements, then the Districts will obtain what financing it can for the Pre-Requisite Improvements, and with said financing will either (a) complete such Pre-Requisite Improvements as can be completed with available financing, as said improvements are prioritized by the City; (b) dedicate the funds obtained by said financing toward the cost of completion of the Pre-Requisite Improvements by the City or other appropriate public utility agency(ies); or (c) some combination of (a) and (b), as agreed by the City.

The Pre-Requisite Improvements may be funded either through issuance of bonds or other sources of funds (such as developer contributions), but must be fully funded before other non-Pre-Requisite Improvements are financed through the Districts.

Any impact fee reimbursements or credits which become available due to the financing of public improvements by the Districts shall be for the benefit of the Districts and not any developer.

In the event that the Pre-Requisite Improvements are fully funded, and additional PID funds are still available, then said funds may be applied to additional Public Improvements approved by the City Council on a case-by-case basis.

2. Operations and Maintenance Limitation. The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. The District shall dedicate the Public Improvements to the City or other appropriate public entity or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. Trails which are interconnected with a city or regional trail system shall be open to the public free of charge and on the same basis as residents and owners of taxable property within the District.

3. Improvements Limitation. Notwithstanding the provisions of Section V.A.1 and 2 above, without written authorization of the City, the District shall not be authorized to finance the costs of any improvements or facilities which are to be ultimately owned by one of the Districts.

4. Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work. City performance security requirements will be satisfied by depositing funds in a joint escrow account from which withdrawals require City staff approval, or other mechanism as may be reasonably acceptable to the City.

5. Procurement. The District shall be subject to the Utah Procurement Code, Title 63G, Chapter 6a. Notwithstanding this requirement, the District may acquire completed or partially completed improvements for fair market value as reasonably determined by a surveyor or engineer employed or selected by the District, with the approval of the City, which approval shall not be unreasonably withheld. Prior to awarding any bid for construction of Public Improvements, the intended award shall be reviewed and approved by the City Engineer or his designee. The District recognizes that it may be required to compensate the City for the time of any City employee or contractor required to perform such review.

6. Privately Placed Debt Limitation. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of a Municipal Advisor substantially as follows:

We are [I am] a Municipal Advisor within the meaning of the District's Governing Document.

We [I] certify that (1) the net effective interest rate to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

7. Annexation and Withdrawal.

(a) The District shall not include within any of its boundaries any property outside the District Area without the prior written consent of the City. The City, by resolution and this Governing Document, has consented to the annexation of any area within the Annexation Area Boundaries into the District. Such area may only be annexed upon the District obtaining consent of all property owners and registered voters, if any, within the area proposed to be annexed and the passage of a resolution of the Board approving such annexation.

(b) The City, by resolution and this Governing Document, has consented to the withdrawal of any area within the District Boundaries from the District. Such area may only be withdrawn upon the District obtaining consent of all property owners and registered voters, if any, within the area proposed to be withdrawn and the passage of a resolution of the Board approving such annexation.

(c) Any annexation or withdrawal shall be in accordance with the requirements of the PID Act.

(d) Upon any annexation or withdrawal, the District shall provide the City a description of the revised District Boundaries.

(e) Annexation or withdrawal of any area in accordance with V.A.6(a) and (b) shall not constitute an amendment of this Governing Document.

8. Overlap Limitation. The District shall not impose aggregate mill levy for payment of Debt that exceeds the Maximum Debt Mill Levy of the District. The District shall not consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the District unless the aggregate mill levy for payment of Debt of such proposed districts will not at any time exceed the Maximum Debt Mill Levy of the District, or unless such other district is approved by the City.

9. Initial Debt Limitation. On or before the effective date of approval by the City of an Approved Development Plan, the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds.

10. Total Debt Issuance Limitation. The Districts shall not issue Debt in excess of an aggregate amount of One Hundred Sixty Million Dollars (\$160,000,000). This amount excludes any portion of bonds issued to refund a prior issuance of debt by any of the Districts. In

addition, the Total Debt Issuance Limitation does not apply to the District's pledge of its property tax revenues to the Debt of one of the other Districts. In the event two or more Districts create an interlocal agency to issue debt, only the par amount issued by such agency shall count against the Total Debt Issuance Limitation rather than the individual amounts pledged by each District.

11. Eminent Domain. In no event shall any District have authority to exercise eminent domain or utilize any funds of the District to support any eminent domain action or proceeding without the prior approval of the City Council.

12. Bankruptcy Limitation. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, Maximum Debt Mill Levy Imposition Term and the Fees have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17D-4-201(5), Utah Code. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and

(b) Are, together with all other requirements of Utah law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Governing Document and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Governing Document Amendment.

13. Governing Document Amendment Requirement.

(a) This Governing Document has been designed with sufficient flexibility to enable the District to provide required facilities under evolving circumstances without the need for numerous amendments. Actions of the District which violate the limitations set forth in V.A.1-9 above or in VIII.B-G. shall be deemed to be material modifications to this Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

(b) Subject to the limitations and exceptions contained herein, this Governing Document may be amended by passage of a resolutions of the City and the District approving such amendment.

B. Preliminary Engineering Survey.

The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of the District, to be more specifically defined

in an Approved Development Plan. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the District Area and is approximately One Hundred Twenty-seven Million Dollars (\$127,000,000).

All of the Public Improvements will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the City and/or any other applicable public entity and shall be in accordance with the requirements of the Approved Development Plan. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

## **VI. THE BOARD OF TRUSTEES**

A. Board Composition. The Board shall be composed of 3 Trustees who shall be appointed by the City Council pursuant to the PID Act. Trustees 1, 2, and 3 shall initially be at large. Trustee terms shall be staggered with initial terms as follows: Trustee 2 shall serve an initial term of 4 years; Trustees 1 and 3 shall serve an initial term of 6 years. All terms shall commence on the date of issuance of a certificate of creation by the Office of the Lieutenant Governor of the State of Utah. In accordance with the PID Act, appointed Trustees shall not be required to be residents of the District.

B. Transition to Elected Board. Upon incorporation, the District shall estimate the total number of residential units within the District at full buildout of the property within the District (the “Anticipated REs”). Upon any annexation or withdrawal in accordance with this Governing Document, any affected District may adjust its Anticipated REs to reflect such boundary change. Respective board seats shall transition from appointed to elected seats according to the following milestones:

1. Trustee 1. Trustee 1 shall transition to an elected seat upon certificates of occupancy being issued for fifty percent (50%) of the Anticipated REs.

2. Trustee 2. Trustee 2 shall transition to an elected seat upon certificates of occupancy being issued for seventy-five percent (75%) of the Anticipated REs.

3. Trustee 3. Trustee 3 shall transition to an elected seat upon certificates of occupancy being issued for ninety percent (90%) of the Anticipated REs.

Notwithstanding the foregoing, any board seats which have not yet transitioned to an elected seat shall transition after twelve (12) years have passed from the date of issuance of a certificate of creation for the District. No transition pursuant to this Section shall become effective until the next scheduled regular election of the District. Registered voters within this Section shall mean voters whose “principal place of residence,” as that term is defined under Utah Code 20A-2-105(1)(a), is within the District.

C. Reelection and Reappointment. Upon the expiration of a Trustee’s respective term, any seat which has not transitioned to an elected seat shall be appointed by the City Council pursuant to the PID Act and any seat which has transitioned to an elected seat shall be elected

pursuant to an election held for such purpose. In the event that no qualified candidate files to be considered for appointment or files a declaration of candidacy for a seat, such seat may be filled in accordance with the Local District Act.

D. Vacancy. Any vacancy on the Board shall be filled pursuant to the Local District Act.

E. Compensation. Only Trustees who are residents of the District may be compensated for services as Trustee. Such compensation shall be in accordance with State Law.

F. Conflicts of Interest. Trustees shall disclose all conflicts of interest. Any Trustee who discloses such conflicts in accordance with 17D-4-202 and 67-16-9, Utah Code, shall be entitled to vote on such matters.

## **VII. REGIONAL IMPROVEMENTS**

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements. Regional Improvements may include, and may not be limited to, regional and connector roads; water, sewer and other utilities installed in said roads; an interchange at 3700 South Street and the Southern Parkway, and park and trail improvements.

Nothing herein shall prevent the City from financing and completing, or authorizing the finance and completion by another district, of other local or regional improvements not listed above, or approving other mill levies to facilitate the financing of the same.

## **VIII. FINANCIAL PLAN**

### **A. General.**

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from its revenues and by and through the proceeds of Debt to be issued by the District. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay within the Maximum Debt Mill Levy Imposition Term from revenues derived from the Maximum Debt Mill Levy and other legally available revenues. The total Debt that the Districts shall be permitted to issue shall not exceed One Hundred Fifty Million Dollars (\$150,000,000) and shall be permitted to be issued on a schedule and in such year or years as the Districts determine shall meet the needs of the Financial Plan referenced above and phased to serve development as it occurs. Any portion of bonds issued to refund a prior issuance of debt by the District shall not count against the permitted total Debt. The Total Debt Issuance Limitation shall not apply to the District's pledge of its property tax revenues to the Debt of one of the other Districts. In the event two or more Districts create an interlocal agency to issue debt, only the par amount issued by such agency shall count against the Total Debt Issuance Limitation rather than the individual amounts pledged by each District. All bonds and other Debt issued by the District may be payable from any and all legally available revenues of the District, including general ad valorem taxes to be imposed upon all Taxable Property within the District. The District will also rely upon various other revenue sources

authorized by law. These will include the power to assess Fees, penalties, or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time.

B. Maximum Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed fifteen percent (15%). The proposed maximum underwriting discount will be five percent (5%). Debt, when issued, will comply with all relevant requirements of this Governing Document, State law and Federal law as then applicable to the issuance of public securities.

C. Maximum Debt Mill Levy.

(a) The “Maximum Debt Mill Levy” shall be the maximum mill levy the District is permitted to impose in upon the taxable property within the District for payment of Limited Tax Debt, and shall be 0.0045 per dollar of taxable value of taxable property in the District; provided that such levy shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code. Such Maximum Debt Mill Levy may also be used to pay administrative expenses of the District. Further, the Districts may not impose mill levies which in aggregate exceed 0.0045 per dollar of taxable value of taxable property in the District Area; provided that such levies shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code.

(b) Such Maximum Debt Mill Levy may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202, Utah Code.

(c) It is anticipated that one or more of the Districts may overlap with a portion of the Bench Lake Public Improvement District (“BLPID”) approved by the City, given that the improvements proposed to be financed by the Districts may also benefit part of the area of the BLPID. The District may also overlap with another district or districts approved by the City. The BLPID is forbidden from levying a maximum mill levy in any overlap area which exceeds 0.003, which is the Maximum Debt Mill Levy of the BLPID. The aggregate mill levy of the Districts, the BLPID, and any other overlapping district together shall not in any event be permitted to exceed the Maximum Debt Mill Levy of the District, on any property located within any of the Districts and the BLPID, or the District and any other district.

D. Maximum Debt Mill Levy Imposition Term.

Each bond issued by the District shall mature within Thirty-One (31) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding forty (40) years from the first date of imposition of the mill levy for such bond (the “Maximum Debt Mill Levy Imposition Term”).

E. Debt Repayment Sources.

The District may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service. The District may also rely upon various other revenue sources authorized by law. At the District’s discretion, these may include the power

to assess penalties or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time. Except as described in Section VIII.C(a), the debt service mill levy in the District shall not exceed the Maximum Debt Mill Levy or, the Maximum Debt Mill Levy Imposition Term, except for repayment of General Obligation Debt.

The District shall not be permitted to charge an End User the costs of any portion of a Public Improvement for which such End User has already paid or is presently obligated to pay through any combination of mill levy or impact fee. This provision shall not prohibit the division of costs between mill levies or impact fees, but is intended to prevent double taxation of End Users for the costs of Public Improvements.

F. Debt Instrument Disclosure Requirement.

In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Governing Document for creation of the District.

Similar language describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Governing Document shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the District.

G. Security for Debt.

The District shall not pledge any revenue or property of the City as security for the indebtedness set forth in this Governing Document. Approval of this Governing Document shall not be construed as a guarantee by the City of payment of any of the District's obligations; nor shall anything in the Governing Document be construed so as to create any responsibility or liability on the part of the City in the event of default by the District in the payment of any such obligation.

H. District's Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the District's organization and initial operations, are anticipated to be Seventy-five Thousand Dollars (\$75,000), which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed. The first year's administrative operating budget is estimated to be approximately Seventy-five Thousand Dollars (\$75,000) which is anticipated to be borne by developer(s) until

such time a reimbursement can be derived from property taxes and other revenues, pursuant to a reimbursement agreement between the District and developers.

I. Bond and Disclosure Counsel.

It is the intent of the City that the District shall use competent and nationally recognized bond and disclosure counsel and Municipal Advisor with respect to District Bonds to ensure proper issuance and compliance with this Governing Document. The District has agreed to utilize the City's counsel, Gilmore & Bell, P.C., as bond and disclosure counsel and Zions Public Finance, Inc., as Municipal Advisor with respect to District Bonds as permitted by law. The foregoing requirement may be waived by vote of the City Council.

IX. ANNUAL REPORT

A. General.

The District shall be responsible for submitting an annual report to the City Manager's Office no later than 180 days following the end of the District's fiscal year.

B. Reporting of Significant Events.

The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.
2. List of current interlocal agreements, if changed (to be delivered to the City upon request);
3. Names and terms of Board members and officers and progress towards milestones required for transition to elected Board;
4. District office contact information;
5. Rules and regulations of the District regarding bidding, conflict of interest, contracting, and other governance matters, if changed;
6. A summary of any litigation which involves the District Public Improvements as of the last day of the prior fiscal year;
7. Status of the District's construction of the Public Improvements as of last day of the prior fiscal year and listing all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of the last day of the prior fiscal year;
8. A table summarizing total debt authorized and total debt issued by the District as well as any presently planned debt issuances;

9. Official statements of current outstanding bonded indebtedness, if not previously provided to the City;

10. Current year budget including a description of the Public Improvements to be constructed in such year;

11. The District's financial statements, for the previous fiscal year, such statements shall be audited if required pursuant to State law or relevant bond documents (such statements shall be submitted within 30 days of completion if completed after 180 days following the end of the fiscal year);

12. Notice of any uncured events of default by the District, which continue beyond a 90 day period, under any Debt instrument; and

13. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a 90 day period.

## **X. DISSOLUTION**

Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations as required pursuant to State statutes.

## **XI. DISCLOSURE TO PURCHASERS**

Within thirty (30) days of the City adopting a resolution creating the District, the Board shall record a notice with the recorder of Washington County. Such notice shall (a) contain a description of the boundaries of the District, (b) state that a copy of this Governing Document is on file at the office of the City, (c) state that the District may finance and repay infrastructure and other improvements through the levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filed with the City.

In addition, the Applicant and the Board shall ensure that the Applicant, homebuilders, commercial developers, and commercial lessors, as applicable, disclose the following information to initial resident homeowners, renters, commercial property owners, and/or commercial tenants:

- (1) All of the information in the first paragraph of this XI;
- (2) A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“Under the maximum property tax rate of the District, **for every \$100,000 of taxable value**, there would be an **additional annual property tax of \$450** for the duration of the District's Bonds.”

- (3) Such disclosures shall be contained on a separate-colored page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.

## **XII. INTERLOCAL AGREEMENT**

The form of the Interlocal Agreement required by the City Code, relating to the limitations imposed on the District's activities, is attached hereto as **Exhibit D**. The District shall approve the Interlocal Agreement in the form attached as **Exhibit D** at its first Board meeting after its organization. Failure of the District to execute the Interlocal Agreement as required herein shall constitute a material modification and shall require a Governing Document Amendment. The City Council shall approve the Interlocal Agreement in the form attached as **Exhibit D** at the public hearing approving the Governing Document.



SAND HOLLOW MESA P.I.D. NO. 3 LEGAL DESCRIPTION

BEGINNING AT THE NORTH QUARTER CORNER OF SECTION 19, TOWNSHIP 42 SOUTH, RANGE 13 WEST, SALT LAKE BASE & MERIDIAN; THENCE S89°00'06"E ALONG THE NORTH SECTION LINE, 1644.21 FEET TO THE WEST RIGHT-OF-WAY LINE OF HIGHWAY 7; THENCE ALONG SAID LINE THE FOLLOWING TWENTY THREE (23) COURSES: THENCE S00°59'31"W 45.11 FEET; THENCE S84°58'13"E 426.06 FEET; THENCE S89°00'29"E 400.00 FEET; THENCE S48°03'50"E 71.88 FEET; THENCE S14°16'38"E 250.20 FEET; THENCE S27°52'40"E 203.96 FEET; THENCE S40°47'44"E 219.32 FEET; THENCE S20°46'56"E 476.29 FEET; THENCE S16°34'05"E 351.50 FEET; THENCE SOUTHERLY ALONG THE ARC OF A 3825.00 FOOT RADIUS CURVE TO THE RIGHT (LONG CHORD BEARS: S13°53'35"E 357.03 FEET), CENTER POINT LIES S73°25'55"W THROUGH A CENTRAL ANGLE OF 05°21'00" A DISTANCE OF 357.15 FEET; THENCE S38°23'13"E 54.09 FEET; THENCE SOUTHERLY ALONG THE ARC OF A 3858.80 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT (LONG CHORD BEARS: S04°24'08"E 818.17 FEET), CENTER POINT LIES S79°30'44"W THROUGH A CENTRAL ANGLE OF 12°10'16" A DISTANCE OF 819.71 FEET; THENCE S01°41'50"W 2354.29 FEET; THENCE SOUTHERLY ALONG THE ARC OF A 2850.52 FOOT RADIUS CURVE TO THE RIGHT (LONG CHORD BEARS: S13°05'55"W 1126.85 FEET), CENTER POINT LIES N88°18'06"W THROUGH A CENTRAL ANGLE OF 22°48'00" A DISTANCE OF 1134.32 FEET; THENCE S32°05'57"W 378.86 FEET; THENCE S41°23'40"W 353.78 FEET; THENCE S38°56'26"W 125.00 FEET; THENCE S22°14'29"W 208.81 FEET; THENCE S38°56'26"W 931.87 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF A 3854.71 FOOT RADIUS CURVE TO THE RIGHT (LONG CHORD BEARS: S44°47'34"W 786.07 FEET), CENTER POINT LIES N51°03'34"W THROUGH A CENTRAL ANGLE OF 11°42'16" A DISTANCE OF 787.44 FEET; THENCE S66°32'48"W 294.49 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF A 3780.00 FOOT RADIUS NON-TANGENT CURVE TO THE RIGHT (LONG CHORD BEARS: S58°53'35"W 519.33 FEET), CENTER POINT LIES N35°02'45"W THROUGH A CENTRAL ANGLE OF 07°52'41" A DISTANCE OF 519.74 FEET; THENCE S62°49'55"W 744.90 FEET; THENCE N00°59'27"E 1165.97 FEET; THENCE S88°55'00"E 1321.47 FEET; THENCE N00°58'28"E 660.13 FEET; THENCE N00°58'28"E 660.13 FEET; THENCE N00°58'28"E 659.98 FEET; THENCE N01°00'55"E 3297.46 FEET; THENCE S88°58'31"E 329.89 FEET; THENCE N01°01'40"E 329.70 FEET; THENCE N88°58'43"W 329.86 FEET; THENCE N01°01'53"E 989.05 FEET; THENCE S88°59'18"E 659.61 FEET; THENCE N00°59'11"E 659.40 FEET; THENCE N88°59'32"W 988.85 FEET; THENCE S01°02'06"W 659.33 FEET; THENCE N88°59'18"W 989.41 FEET; THENCE N01°02'44"E 659.22 FEET; THENCE N01°02'44"E 659.22 FEET TO THE POINT OF BEGINNING.

AREA CONTAINS 15,395,115 SQUARE FEET OR 353.423 ACRES.

SAND HOLLOW MESA ANNEXATION AREA LEGAL DESCRIPTION

BEGINNING AT THE SOUTHWEST CORNER OF SECTION (THE COMMON CORNER TO SECTIONS 29, 30, 31 & 32), TOWNSHIP 42 SOUTH, RANGE 13 WEST, SALT LAKE BASE AND MERIDIAN; THENCE S00°54'56"W, ALONG THE EAST SECTION LINE OF SECTION 31, 1312.19 FEET TO THE 1/16 CORNER OF SAID SECTION 31; THENCE N88°57'41"W, ALONG THE 1/16TH LINE, 1322.27 FEET TO THE NORTH-SOUTH 1/16TH LINE; THENCE N00°57'56"E, ALONG THE 1/16TH/ LINE, 1313.59 FEET TO THE 1/16TH CORNER ON THE SOUTH SECTION LINE OF SECTION 30; THENCE N88°53'33"W, ALONG THE SOUTH SECTION LINE, 1321.14 FEET TO THE SOUTH 1/4 CORNER OF SECTION 30; THENCE N00°59'47"E, ALONG THE 1/4 SECTION LINE, 2636.98 FEET TO THE CENTER QUARTER CORNER OF SECTION 30; THENCE S88°55'00"E. ALONG THE 1/4 SECTION LINE, 1321.47 FEET TO THE 1/16TH CORNER; THENCE N00°58'28"E, ALONG THE NORTH-SOUTH 1/16TH LINE, 2640.21 FEET TO THE 1/16TH CORNER ON THE SOUTH SECTION LINE OF SECTION 19; THENCE N01°01'32"E, ALONG THE NORTH-SOUTH 1/16TH LINE, 2637.48 FEET TO THE 1/16TH CORNER IN SECTION 19; THENCE S88°58'31"E, ALONG THE 1/4 SECTION LINE, 329.89 FEET; THENCE N01°01'40"E 329.70 FEET; THENCE N88°58'43"W 329.86 FEET TO THE NORTH-SOUTH 1/16TH LINE; THENCE N01°01'53"E, ALONG THE 1/16TH LINE, 989.05 FEET TO THE 1/16TH CORNER; THENCE S88°59'18"E, ALONG THE EAST-WEST 1/16TH LINE, 659.61 FEET; THENCE N01°01'27"E 659.45 FEET; THENCE N88°59'42"W 989.29 FEET; THENCE S01°02'06"W 659.33 FEET TO THE EAST-WEST 1/16TH LINE; THENCE N88°59'18"W, ALONG THE 1/16TH LINE, 989.41 FEET TO THE 1/4 SECTION LINE; THENCE N01°02'44"E, ALONG THE 1/4 SECTION LINE, 1318.43 FEET TO THE NORTH QUARTER CORNER OF SECTION 19; THENCE S89°00'06"E, ALONG THE NORTH SECTION LINE OF SECTION 19, 2637.77 FEET TO THE COMMON CORNER OF SECTION 17, 18, 19, 20 (NORTHEAST CORNER OF SECTION 19); THENCE S88°57'52"E, ALONG THE NORTH SECTION LINE OF SECTION 20, 1316.43 FEET TO THE 1/16TH CORNER; THENCE S01°01'06"W, ALONG THE 1/16TH LINE, 2639.62 FEET; THENCE S01°00'58"W, ALONG THE 1/16TH LINE, 1319.92 FEET TO THE 1/16TH CORNER; THENCE S88°51'19"E, ALONG THE 1/16TH LINE, 1316.11 FEET TO THE 1/4 SECTION LINE OF SECTION 20; THENCE S01°01'38"W, ALONG THE 1/4 SECTION LINE, 1320.77 FEET TO THE SOUTH 1/4 CORNER OF SECTION 20, ALSO THE NORTH 1/4 CORNER OF SECTION 29; THENCE S00°55'44"W, ALONG THE 1/4 SECTION LINE IN SECTION 29, 1318.21 FEET TO THE 1/16TH CORNER; THENCE S88°52'39"E, ALONG THE 1/16TH LINE, 2638.18 FEET TO THE EAST SECTION LINE; THENCE S00°39'45"W, ALONG THE EAST SECTION LINE, 1315.42 FEET TO THE EAST 1/4 CORNER OF SECTION 29; THENCE N88°55'38"W, ALONG THE 1/4 SECTION LINE, 2644.29 FEET TO THE NORTH-SOUTH 1/4 SECTION LINE; THENCE S0°55'44"W, ALONG THE 1/4 SECTION LINE, 1318.48 FEET TO THE 1/16TH LINE; THENCE N88°56'29"W, ALONG THE EAST-WEST 1/16TH LINE, 1317.35 FEET TO THE NORTH-SOUTH 1/16TH LINE; THENCE S0°58'12"W, ALONG THE 1/16TH LINE, 1318.53 FEET TO THE SOUTH SECTION LINE; THENCE N88°56'37"W ALONG SAID LINE, 1318.30 FEET TO THE POINT OF BEGINNING.

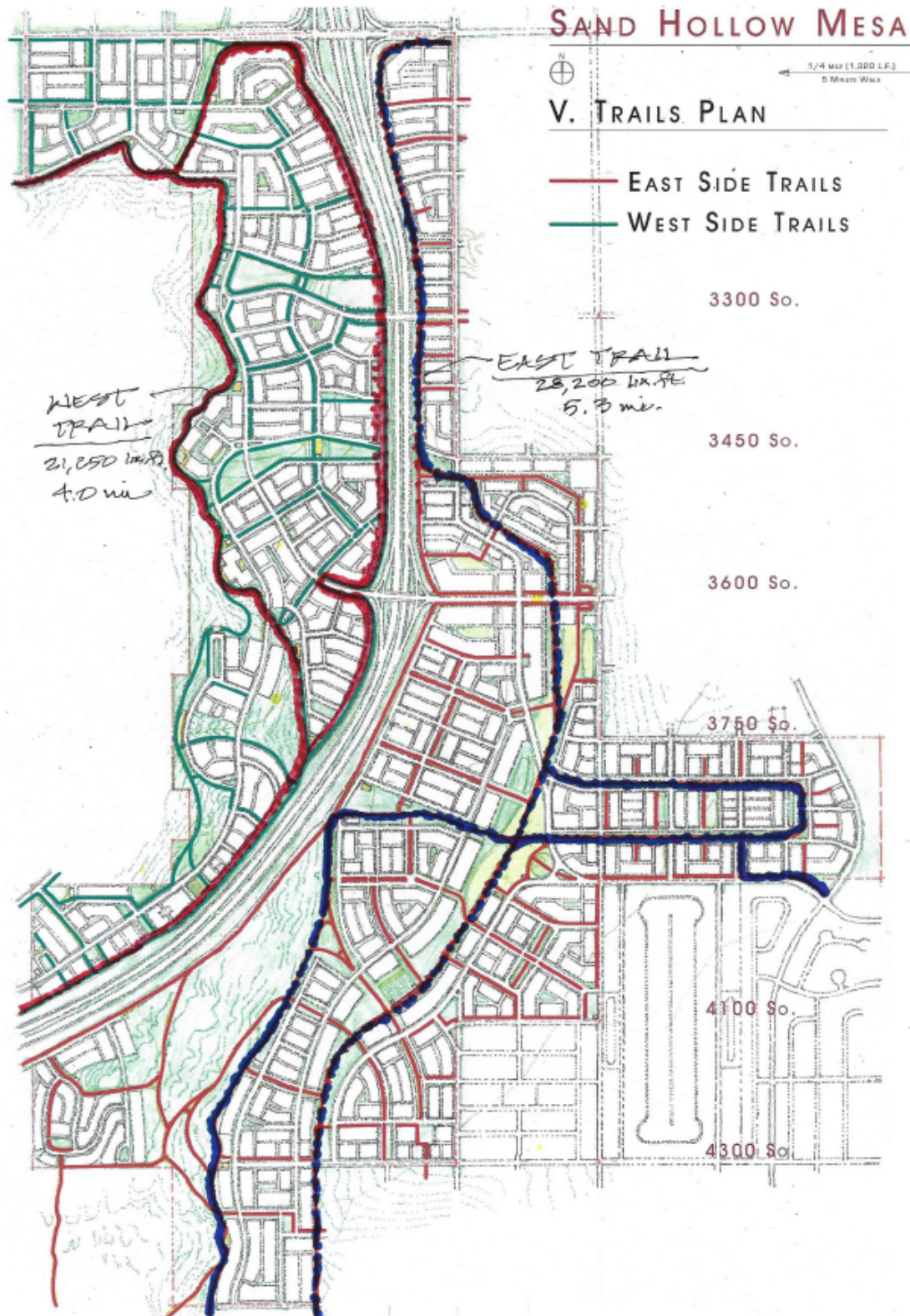
AREA CONTAINS 44,450,513 SQUARE FEET OR 1020.443 ACRES.

LEGAL DESCRIPTION INCLUDES 91.24 ACRES FOR THE SR-7 HIGHWAY AND 5.63 ACRES FOR COPPER ROCK PARKWAY AND 2100 WEST ROAD.

LESS AND EXCEPTING THE LEGAL DESCRIPTION FOR SAND HOLLOW MESA PID NO. 3 SET FORTH ABOVE.

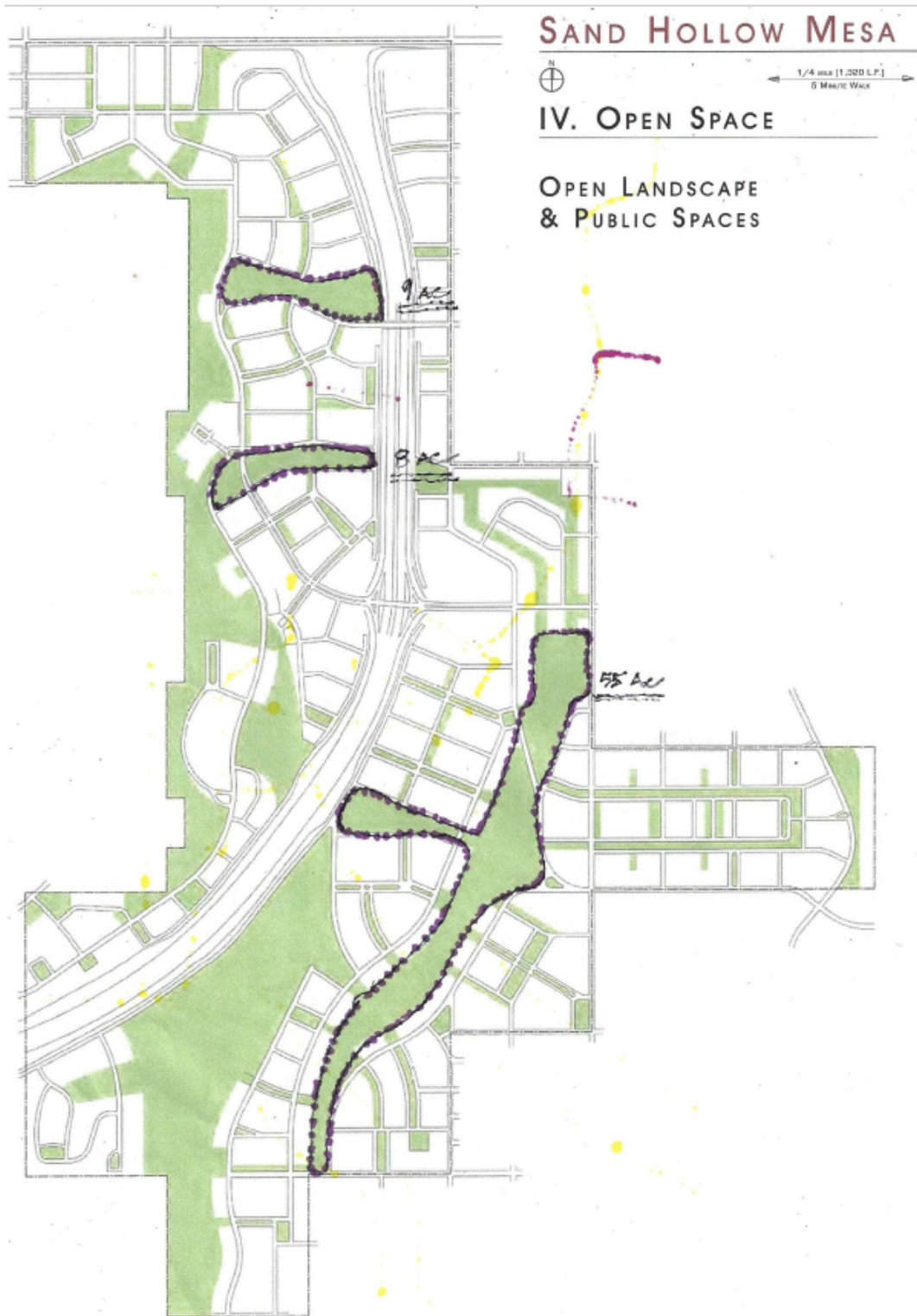
# EXHIBIT B

## Trails Plan



# EXHIBIT C

## Open Space Plan



**EXHIBIT D**

Proposed Scope of Financing for Each of the Districts

*(see following pages)*

# HOLLOW MESA PID DISTRICT #1 ESTIMATE

15-Mar-22

SAND HOLLOW MESA				
PUBLIC IMPROVEMENT DISTRICT #1				
TOTAL ESTIMATE				
ITEM DESCRIPTION	UNIT PRICE Dollars & Cents	QUANTITY	UNITS	ITEM PRICE Dollars & Cents
<b>P.I.D. ITEMS</b>				
UDOT Approved Interchange	\$ 9,500,000.00	1	LS	\$ 9,500,000.00
Public Utilities	\$ 15,750,000.00	1	LS	\$ 15,750,000.00
Master Planned Public Roadways	\$ 15,656,250.00	1	LS	\$ 15,656,250.00
Public Safety Building	\$ 5,000,000.00	1	LS	\$ 5,000,000.00
Eco-Friendly Irrigation System	\$ 3,862,500.00	1	LS	\$ 3,862,500.00
Public Trails and Facilities	\$ 3,168,750.00	1	LS	\$ 3,168,750.00
City Parks & Open Spaces	\$ 3,562,500.00	1	LS	\$ 3,562,500.00
				\$ -
<b>TOTAL of ITEMS 1 THRU 7=</b>				<b>\$ 56,500,000.00</b>
S.H. MESA PID#1 TOTAL		<b>\$ 56,500,000.00</b>		
ENGINEERING, CONST MGMT, AND TESTING		10% INCLUDED		
CONTINGENCY		10% INCLUDED		
<b>GRAND TOTAL</b>		<b>\$ 56,500,000.00</b>		
<b>ITEMS INCLUDED IN THE MASTER PLANNED ROADS</b>		<b>ITEMS INCLUDED IN PUBLIC FACILITY</b>		
Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.		Includes FIRE/POLICE station with site improvements for a new public safety building		
<b>ITEMS INCLUDED IN THE 3700 SOUTH INTERCHANGE</b>		<b>ITEMS INCLUDED IN IRRIGATION</b>		
Includes overpass bridge, on & off ramps, roadway improvements, utility work, lights, and trail route.		Includes irrigation pipes, connections to deliver future irrigation water.		
<b>ITEMS INCLUDED IN THE PARKS</b>				
Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.				
<b>ITEMS INCLUDED IN THE TRAILS</b>				
Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.				

PID #1 SCOPE:

**ITEMS INCLUDED IN THE MASTER PLANNED  
ROADS**

---

Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.

**ITEMS INCLUDED IN THE 3700 SOUTH  
INTERCHANGE**

---

Includes overpass bridge, on & off ramps, roadway improvements, utility work, lights, and trail route.

**ITEMS INCLUDED IN THE PARKS**

---

Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.

**ITEMS INCLUDED IN THE TRAILS**

---

Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.

**ITEMS INCLUDED IN PUBLIC FACILITY**

---

Includes FIRE/POLICE station with site improvements for a new public safety building

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**ITEMS INCLUDED IN IRRIGATION**

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Includes irrigation pipes, connections to deliver future irrigation water.

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<b>SAND HOLLOW MESA PID DISTRICT #2 ESTIMATE</b>					
<b>Date: 15-Mar-22</b>					
SAND HOLLOW MESA					
PUBLIC IMPROVEMENT DISTRICT #2					
TOTAL ESTIMATE					
ITEM No.	ITEM DESCRIPTION	UNIT PRICE Dollars & Cents	QUANTITY	UNITS	ITEM PRICE Dollars & Cents
<b>P.I.D. ITEMS</b>					
1	Public Utilities	\$ 15,750,000.00	1	LS	\$ 15,750,000.00
2	Master Planned Public Roadways	\$ 15,656,250.00	1	LS	\$ 15,656,250.00
3	Eco-Friendly Irrigation System	\$ 3,862,500.00	1	LS	\$ 3,862,500.00
4	Public Trails and Facilities	\$ 3,168,750.00	1	LS	\$ 3,168,750.00
5	City Parks & Open Spaces	\$ 3,562,500.00	1	LS	\$ 3,562,500.00
					\$ -
<b>TOTAL of ITEMS 1 THRU 4=</b>					<b>\$ 42,000,000.00</b>
S.H. MESA PID#2 TOTAL		<b>\$ 42,000,000.00</b>			
ENGINEERING, CONST MGMT, AND TESTING		10% INCLUDED			
CONTINGENCY		10% INCLUDED			
<b>GRAND TOTAL</b>		<b>\$ 42,000,000.00</b>			
<b>ITEMS INCLUDED IN THE MASTER PLANNED ROADS</b>			<b>ITEMS INCLUDED IN IRRIGATION</b>		
Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.			Includes irrigation pipes, connections to deliver future irrigation water.		
<b>ITEMS INCLUDED IN THE PARKS</b>					
Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.					
<b>ITEMS INCLUDED IN THE TRAILS</b>					
Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.					

PID #2 SCOPE:

**ITEMS INCLUDED IN THE MASTER PLANNED  
ROADS**

---

Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.

**ITEMS INCLUDED IN IRRIGATION**

---

Includes irrigation pipes, connections to deliver future irrigation water.

---

**ITEMS INCLUDED IN THE PARKS**

---

Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.

**ITEMS INCLUDED IN THE TRAILS**

---

Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.

**SAND HOLLOW MESA PID DISTRICT #3 ESTIMATE**

**Date: 15-Mar-22**

SAND HOLLOW MESA					
PUBLIC IMPROVEMENT DISTRICT #3					
TOTAL ESTIMATE					
ITEM No.	ITEM DESCRIPTION	UNIT PRICE Dollars & Cents	QUANTITY	UNITS	ITEM PRICE Dollars & Cents
<b>P.I.D. ITEMS</b>					
1	Public Utilities	\$ 10,500,000.00	1	LS	\$ 10,500,000.00
2	Master Planned Public Roadways	\$ 10,437,500.00	1	LS	\$ 10,437,500.00
3	Eco-Friendly Irrigation System	\$ 2,575,000.00	1	LS	\$ 2,575,000.00
4	Public Trails and Facilities	\$ 2,112,500.00	1	LS	\$ 2,112,500.00
5	City Parks & Open Spaces	\$ 2,375,000.00	1	LS	\$ 2,375,000.00
					\$ -
<b>TOTAL of ITEMS 1 THRU 5=</b>					<b>\$ 28,000,000.00</b>
S.H. MESA PID#3 TOTAL		<b>\$ 28,000,000.00</b>			
ENGINEERING, CONST MGMT, AND TESTING		10% INCLUDED			
CONTINGENCY		10% INCLUDED			
<b>GRAND TOTAL</b>		<b>\$ 28,000,000.00</b>			
<b>ITEMS INCLUDED IN THE MASTER PLANNED ROADS</b>			<b>ITEMS INCLUDED IN IRRIGATION</b>		
Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.			Includes irrigation pipes, connections to deliver future irrigation water.		
<b>ITEMS INCLUDED IN THE PARKS</b>					
Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.					
<b>ITEMS INCLUDED IN THE TRAILS</b>					
Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.					

PID #3 SCOPE:

**ITEMS INCLUDED IN THE MASTER PLANNED  
ROADS**

---

Includes water mains, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.

**ITEMS INCLUDED IN IRRIGATION**

---

Includes irrigation pipes, connections to deliver future irrigation water.

---

**ITEMS INCLUDED IN THE PARKS**

---

Includes amenities for City parks/ open space improvements that include green fields, trees, xeriscaping, restrooms and parking lots for users of the trails and parks.

**ITEMS INCLUDED IN THE TRAILS**

---

Includes pavement, utilities and amenities for City trail improvements to the City recommended 12 foot wide trail system that will be throughout Sand Hollow Mesa and tie into adjacent trails that lead to Sand Hollow State Park.

**EXHIBIT E**  
**INTERLOCAL AGREEMENT BETWEEN**  
**HURRICANE CITY, UTAH**  
**AND**  
**SAND HOLLOW MESA PUBLIC INFRASTRUCTURE DISTRICT NO. 3**

THIS AGREEMENT is made and entered into as of this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between HURRICANE CITY, a home-rule municipal corporation of the State of Utah (“City”), and SAND HOLLOW MESA PUBLIC INFRASTRUCTURE DISTRICT NO. 3, a political subdivision of the State of Utah (the “District”). The City and the District are collectively referred to as the Parties.

**RECITALS**

WHEREAS, the District was organized to provide to exercise powers as are more specifically set forth in the District’s Governing Document approved by the City on March 3, 2022 (“Governing Document”); and

WHEREAS, the Governing Document makes reference to the execution of an Interlocal Agreement between the City and the District; and

WHEREAS, the City and the District have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Interlocal Agreement (“Agreement”).

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

**COVENANTS AND AGREEMENTS**

1. Operations and Maintenance. The District shall dedicate the Public Improvements (as defined in the Governing Document) to the City or other appropriate jurisdiction in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. The District shall be authorized, but not obligated, to own Public Improvements not otherwise required to be dedicated to the City or other public entity, and all necessary equipment and appurtenances incident thereto. Trails which are interconnected with a city or regional trail system shall be open to the public free of charge and on the same basis as residents and owners of taxable property within the District.

2. Improvements Limitation. Without written authorization of the City, the District shall not be authorized to finance the costs of any improvements or facilities which are to be ultimately owned by one of the Districts.

Construction Standards. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of

other governmental entities having proper jurisdiction, as applicable. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work. The District may satisfy any City requirements for guaranty of performance of infrastructure completion by delivering to the City documentation evidencing the funds available to the District for such infrastructure as a result of the bonds issued by the District.

3. Issuance of Privately Placed Debt. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of a Municipal Advisor substantially as follows:

We are [I am] a Municipal Advisor within the meaning of the District's Governing Document.

We [I] certify that (1) the net effective interest rate to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

4. Inclusion Limitation. The District shall not include within any of their boundaries any property outside the District Area without the prior written consent of the City. By the Governing Document, the City has consented to the annexation or withdrawal of any area within the Annexation Area into or from the District Boundaries. The District shall not include within any of its boundaries any property inside the inclusion area boundaries without the prior written consent of the City except upon petition of the surface property owners of 100 percent of such property and/or 100 percent of registered voters within the area to be included, as applicable, as provided in Section 17D-4-201(3), Utah Code.

5. Overlap Limitation. It is anticipated that one or more of the Districts may overlap with a portion of the Bench Lake Public Improvement District ("BLPID") approved by the City, given that the improvements proposed to be financed by the Districts may also benefit part of the area of the BLPID. The BLPID is forbidden from levying a maximum mill levy in the overlap area which exceeds 0.003, which is the Maximum Debt Mill Levy of the BLPID. The aggregate mill levy of the Districts and the BLPID together shall not in any event be permitted to exceed the Maximum Debt Mill Levy of the District, on any property located within any of the Districts and the BLPID. The Districts shall not, without the prior authorization of the City Council, consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the Districts.

6. Initial Debt. On or before the effective date of approval by the City of an Approved Development Plan (as defined in the Governing Document), the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any fees used for the purpose of repayment of Debt.

7. Total Debt Issuance. The Districts shall not issue Debt in excess of an aggregate amount of One Hundred Fifty Million Dollars (\$150,000,000). This amount excludes any portion of bonds issued to refund a prior issuance of debt by any of the Districts. In addition, the Total Debt Issuance Limitation does not apply to the District's pledge of its property tax revenues to the Debt of one of the other Districts. In the event two or more Districts create an interlocal agency to issue debt, only the par amount issued by such agency shall count against the Total Debt Issuance Limitation rather than the individual amounts pledged by each District.

8. Bankruptcy. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17D-4-201(4), Utah Code. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and

(b) Are, together with all other requirements of Utah law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Governing Document and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Governing Document Amendment.

9. Dissolution. Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to State statutes.

10. Disclosure to Purchasers. Within thirty (30) days of the City adopting a resolution creating the District, the Board shall record a notice with the recorder of Washington County, Utah. Such notice shall (a) contain a description of the boundaries of the District, (b) state that a copy of this Governing Document is on file at the office of the City, (c) state that the District may finance and repay infrastructure and other improvements through the levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filled with the City.

In addition, the Applicant and the Board shall ensure that the Applicant, homebuilders, commercial developers, and commercial lessors, as applicable, disclose the following information to initial resident homeowners, renters, commercial property owners, and/or commercial tenants:

(a) All of the information in the first paragraph of 11 of this Agreement;

(b) A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“Under the maximum property tax rate of the District, **for every \$100,000 of taxable value**, there would be an **additional annual property tax of \$450** for the duration of the District’s Bonds.”

(c) Such disclosures shall be contained on a separate-colored page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.

11. Governing Document Amendment Requirement. Actions of the District which violate the limitations set forth in V.A.1-9 or VIII.B-G of the Governing Document shall be deemed to be material modifications to the Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

12. Annual Report. The District shall be responsible for submitting an annual report to the City Manager’s Office no later than 180 days following the closing of the District’s fiscal year, containing the information set forth in Section VIII of the Governing Document.

13. Regional Improvements. The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements.

14. Maximum Debt Mill Levy.

(a) The “Maximum Debt Mill Levy” shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Limited Tax Debt shall be 0.0045 per dollar of taxable value of taxable property in the District; provided that such levy shall be subject to adjustment as provided in Section 17D-4-301(8). Such Maximum Debt Mill Levy may also be used to pay administrative expenses of the District. Further, the Districts may not impose mill levies which aggregate in excess of 0.0045 per dollar of taxable value of taxable property in the District; provided that such levies shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code.

(b) Such Maximum Debt Mill Levy may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202.

(c) Any other mill levy imposed by any other district with the authorization of the City shall not be applied toward the calculation of the Maximum Debt Mill Levy.

15. Maximum Debt Mill Levy Imposition Term. Each bond issued by the District shall mature within thirty-one (31) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding forty (40)

years from the first date of imposition of the mill levy for such bond (the “Maximum Debt Mill Levy Imposition Term”).

16. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District: Sand Hollow Mesa Public Infrastructure District  
No. 3  
c/o Snow Jensen & Reece, PC  
912 West 1600 South, Ste. B200  
St. George, UT 84770  
Attn: Matthew J. Ence  
Phone: (435) 628-3688

To the City: Hurricane City  
147 N 870 W  
Hurricane, UT 84737  
Attn: City Manager  
Phone: (435) 635-2811

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

17. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Governing Document.

18. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

19. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys’ fees.

20. Term. This Agreement shall terminate upon the earlier to occur of dissolution of the District or fifty (50) years from the date hereof.

21. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Utah.

22. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

23. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

24. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the City any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the City shall be for the sole and exclusive benefit of the District and the City.

25. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

26. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

27. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

28. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Governing Document.

**[SIGNATURE PAGE TO INTERLOCAL AGREEMENT]**

SAND HOLLOW MESA PUBLIC  
INFRASTRUCTURE DISTRICT NO. 3

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

Attest:

\_\_\_\_\_  
Secretary

APPROVED AS TO FORM: \_\_\_\_\_

HURRICANE CITY, UTAH

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

Attest:

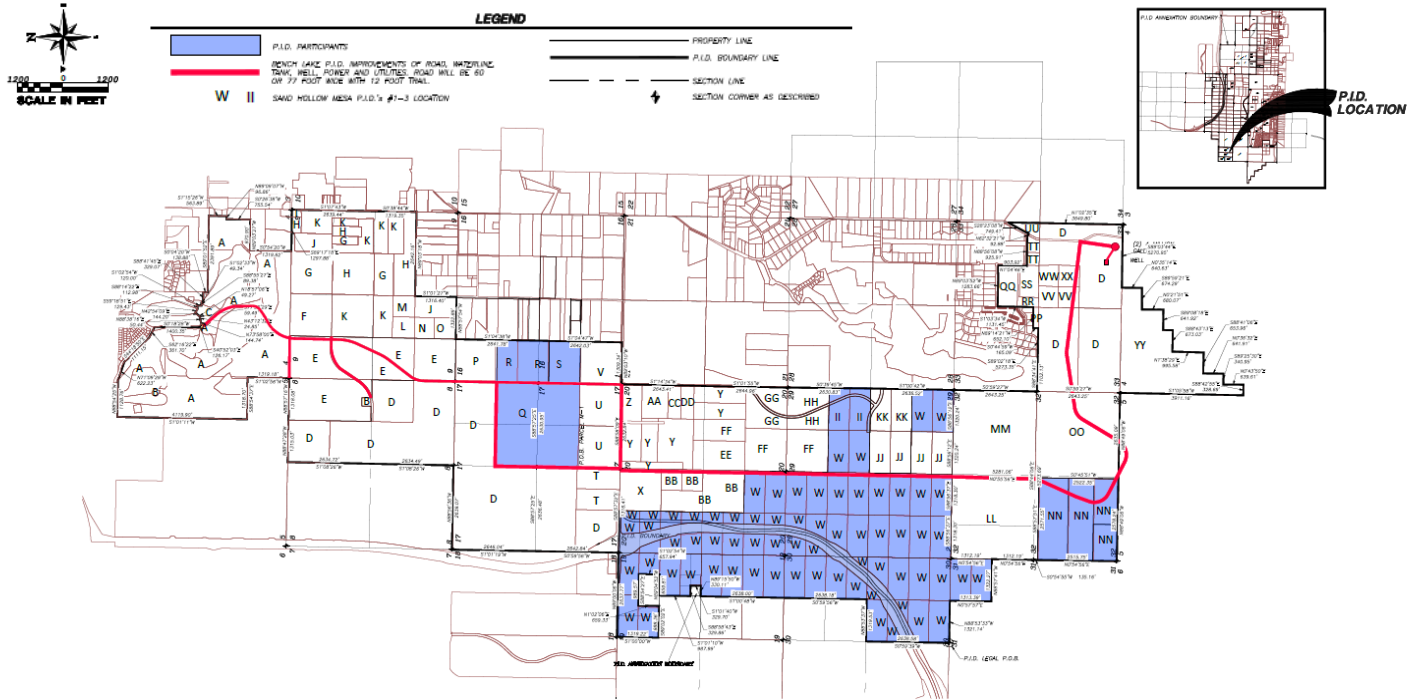
By: \_\_\_\_\_  
Its: \_\_\_\_\_

APPROVED AS TO FORM: \_\_\_\_\_

# BENCH LAKE PUBLIC INFRASTRUCTURE DISTRICT

The proposed Bench Lake Public Infrastructure District is a practical funding alternative that enables Public Improvements not otherwise feasible for the anticipated Bench Lake master planned community

## Annexation Boundary & Location



## Governing Document Overview

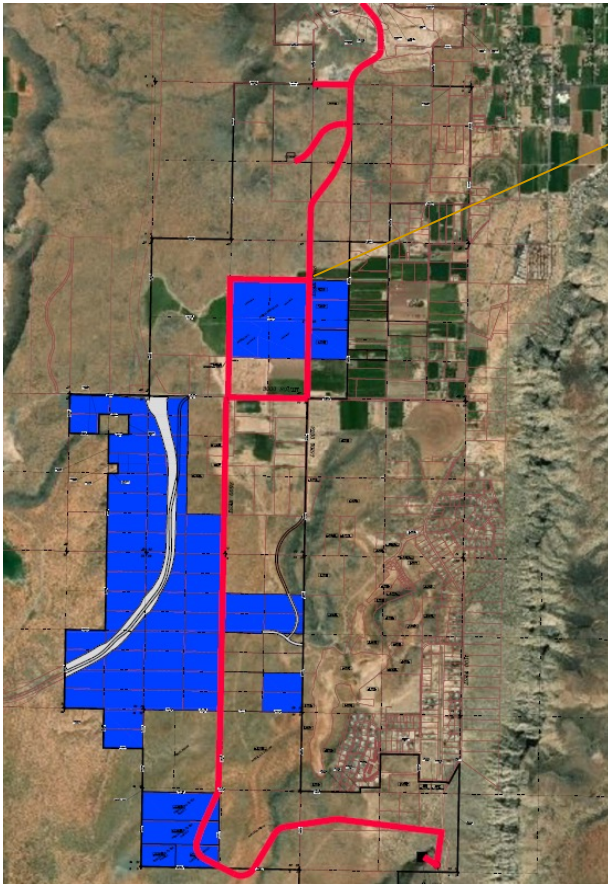
Governing Documents for the proposed Bench Lake PID have been reviewed by the City Staff and submitted for the consideration of the Council. The Governing Document requests the city approve the following\*:

<b>Maximum Tax Rate</b>	3 Mills
<b>Maximum Debt Limit</b>	\$110 million
<b>Pre-Requisite Infrastructure</b>	Certain infrastructure must be financed before the PID and fund any other infrastructure improvements
<b>Governing Board</b>	Composed of 3 Trustees initially appointed by the City Council with staggered terms of 4-6 years. Board seats shall then transition from appointed to elected seats as the number of residents grow in the project
<b>Oversight</b>	The City's Bond Counsel (Gilmore & Bell) and the City's Municipal Advisor (Zions Public Finance) will be engaged by the District to ensure proper issuance and compliance with the Governing Document
<b>Disclosure Requirements</b>	Match the Gateway at Sand Hollow PIDs which we presented in the last work session. The following language will be included in a brightly colored page:  <i>"Under the maximum property tax rate of the District, for every \$100,000 of taxable value, there would be an additional annual property tax of \$300 for the duration of the District's Bonds."</i>
<b>Prerequisite Improvements</b>	Certain prerequisite improvements will be prioritized by the city as defined in the Governing Document (see Exhibit B of the Governing Document)

Note: For full details on the proposed boundaries, proposed powers, improvements and services, governance, financial plan, and other defined aspects of the proposed PID see the "Governing Documents for Sand Hollow Mesa PID No. 1"

# Conceptual Masterplan

- ~149 acres community located at approximately 4700 South and 2600 West in Hurricane City, planned for ~450 single-family residential units on 10,000 square foot minimum lots, consistent with the approved zoning.
- Total proposed annexation area of 4,914.13 acres in which multiple property owners and developers are seeking to develop property, some of whom have approved development plans (e.g., Balance of Nature, Calypso Ridge) but no means of bringing necessary infrastructure to their properties.
- The proposed District can help finance needed public improvements and alleviate the City’s burden for finding a way to pay for needed improvements



Fundamental to the master planning efforts, health and wellness became the main driver of the master plan concept. Creating an organic, yet structured development will allow individuals and the community-at-large the opportunity to be immersed in an environment that has both synchronous and parallel encounters, providing therapeutic benefits and improving their overall health just by being there.

## Planned Infrastructure (Made Possible by Limited Tax PID)

- **Master Planned Public Trails** – 9.33 miles of public trails. The main trails connecting the Project to adjacent properties and trail systems would be 12' wide and paved. Cost is \$4,928,000
- **Regional Well & Water Tank** -- Construction of two Culinary Water Tanks of 4 million gallons each, culinary water well and power to the well. Cost is \$17,000,000.
- **Public Utilities** – 9.33 miles of public utilities. Utilities will include water, sewer, & power. Cost is \$34,105,650.
- **Master Planned Public Roadways** – All master planned public roadways depicted on the City's most recent master road plan, including sidewalks and curb/gutter as required by City standards. This PID will build most of 2100 West and the south half of 2600 West streets. Cost is \$28,219,910
- **TOTAL COST - \$84,253,560**

**Figure 1**

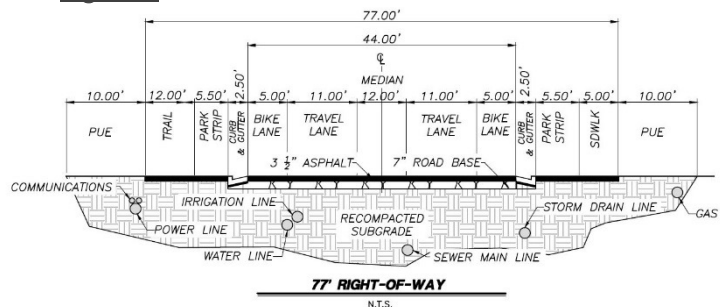


Figure 1: Typical section will include all public facilities to necessitate full build-out of this road

**GOVERNING DOCUMENT  
FOR  
BENCH LAKE PUBLIC INFRASTRUCTURE DISTRICT  
HURRICANE CITY, UTAH**

**March 23, 2022**

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<b>EXHIBIT A</b>	Initial District Boundary Map, Annexation Area Boundary Map, Legal Descriptions
<b>EXHIBIT B</b>	Pre-Requisite Improvements Estimate Details
<b>EXHIBIT C</b>	Interlocal Agreement between the District and Hurricane City

## I. INTRODUCTION

### A. Purpose and Intent.

The District is an independent unit of local government, separate and distinct from the City, and, except as may otherwise be provided for by State or local law or this Governing Document, its activities are subject to review by the City only insofar as they may deviate in a material matter from the requirements of the Governing Document. It is intended that the District will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements. The District is not being created to provide any ongoing operations and maintenance services.

### B. Need for the District.

There are currently no other governmental entities, including the City, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

### C. Objective of the City Regarding District's Governing Document.

The City's objective in approving the Governing Document for the District is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the District. All Debt is expected to be repaid by taxes imposed and collected for no longer than the Maximum Debt Mill Levy Imposition Term and at a tax mill levy no higher than the Maximum Debt Mill Levy for all commercial and residential properties. Debt which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Governing Document is intended to establish a limited purpose for the District and explicit financial constraints that are not to be violated under any circumstances. The primary purpose is to provide for the Public Improvements associated with development and regional needs. Although the District has authority to directly provide public improvements, the District also has the authority to pledge tax revenues to an interlocal entity that provides public improvements.

It is the intent of the District to dissolve upon payment or defeasance of all Debt incurred or upon a determination that adequate provision has been made for the payment of all Debt.

The District shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from tax revenues collected from a mill levy which shall not exceed

the Maximum Debt Mill Levy on taxable properties and which shall not exceed the Maximum Debt Mill Levy Imposition Term on taxable properties. It is the intent of this Governing Document to assure to the extent possible that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy in amount and that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy Imposition Term in duration even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters are not costs to be paid by the District.

## **II. DEFINITIONS**

In this Governing Document, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Annexation Area Boundaries: means the boundaries of the area described in the Annexation Area Boundary Map which have been approved by the City for annexation or withdrawal from or into the District upon the meeting of certain requirements.

Annexation Area Boundary Map: means the map depicting the Annexation Area Boundaries attached hereto as **Exhibit A**, describing the property proposed for annexation within the District.

Approved Development Plan: means, collectively, all development plans or other process established by the City for identifying, among other things, Public Improvements necessary for facilitating development for property within the District Area as approved by the City pursuant to the City Code and as amended pursuant to the City Code from time to time. For purposes of this Governing Document, the entitlements approved for the Projects, including Balance of Nature, Calypso Ridge, and entitlements approved for any other property included in the Initial District Boundaries prior to the date of approval of this Governing Document, shall constitute an Approved Development Plan.

Board: means the board of trustees of the District.

Bond, Bonds or Debt: means bonds or other obligations, including loans of any property owner, for the payment of which the District has promised to impose an ad valorem property tax mill levy.

City: means Hurricane City, Utah.

City Code: means the City Code of Hurricane City, Utah.

City Council: means the City Council of Hurricane City, Utah.

District: means the Bench Lake Public Infrastructure District.

District Area: means the property within the Initial District Boundary Map and the Annexation Area Boundary Map.

End User: means any owner, or tenant of any owner, of any taxable improvement within the District, who is intended to become burdened by the imposition of ad valorem property taxes subject to the Maximum Debt Mill Levy. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an End User. The business entity that constructs homes or commercial structures is not an End User.

Fees: means any fee imposed by the District for administrative services provided by the District.

Financial Plan: means the Financial Plan described in Section VIII which describes (i) the potential means whereby the Public Improvements may be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

General Obligation Debt: means a Debt that is directly payable from and secured by ad valorem property taxes that are levied by the District and does not include Limited Tax Debt.

Governing Document: means this Governing Document for the District approved by the City Council.

Governing Document Amendment: means an amendment to the Governing Document approved by the City Council in accordance with the City's ordinance and the applicable state law and approved by the Board in accordance with applicable state law.

Initial District Boundaries: means the boundaries of the area described in the Initial District Boundary Map.

Initial District Boundary Map: means the map depicting the Initial District Boundaries attached hereto as **Exhibit A**, describing the District's initial boundaries.

Limited Tax Debt: means a debt that is directly payable from and secured by ad valorem property taxes that are levied by the District which may not exceed the Maximum Debt Mill Levy.

Local District Act: means Title 17B of the Utah Code, as amended from time to time.

Maximum Debt Mill Levy: means the maximum mill levy the District is permitted to impose for payment of Debt as set forth in Section VIII.C below.

Maximum Debt Mill Levy Imposition Term: means the maximum term for imposition of a mill levy for any given series of bonds as set forth in Section VIII.D below.

Municipal Advisor: means a consultant that: (i) advises Utah governmental entities on matters relating to the issuance of securities by Utah governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be

an individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (iii) is not an officer or employee of the District.

Project: means, collectively, the developments or properties commonly referred to as the Balance of Nature and Calypso Ridge projects, and any other development projects in the Initial District Boundaries which have received development entitlements prior to the approval of this Governing Document.

PID Act: means Title 17D, Chapter 4 of the Utah Code, as amended from time to time and any successor statute thereto.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as generally described in the Local District Act, except as specifically limited in Section V below to serve the future taxpayers and inhabitants of the District Area as determined by the Board.

Regional Improvements: means Public Improvements and facilities that benefit the District Area and which are to be financed pursuant to Section VII below.

State: means the State of Utah.

Taxable Property: means real or personal property within the District Area subject to ad valorem taxes imposed by the District.

Trustee: means a member of the Board.

Utah Code: means the Utah Code Annotated 1953, as amended.

### **III. BOUNDARIES**

The area of the Initial District Boundaries includes approximately one thousand three hundred twenty (1319.574) acres and the total area proposed to be included in the Annexation Area Boundaries is approximately five thousand fifty-eight (5,057.679) acres and includes all property within the District. Maps of the Initial District Boundaries and Annexation Area Boundaries, a vicinity map, and legal descriptions of the Initial District Boundaries and the Annexation Area Boundaries are attached hereto together as **Exhibit A**. It is anticipated that the District's boundaries may change from time to time as it undergoes annexations and withdrawals pursuant to Section 17B-4-201, Utah Code, subject to Article V below.

### **IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION**

The District Area consists of approximately five thousand fifty-eight (5,057.679) acres of mostly undeveloped land. The current assessed valuation of the District Area at build out, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan. The population of the initial District Boundary at build-out is estimated to be approximately 12,000 people; the population of the entire District Area is anticipated to be much larger, and highly dependent on approved development plans upon each given property in the District Area.

Approval of this Governing Document by the City does not imply approval of the development of a specific area within the District, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Governing Document or any of the exhibits attached thereto, unless the same is contained within an Approved Development Plan.

**V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES**

**A. Powers of the District and Governing Document Amendment.**

The District shall have the power and authority to provide the Public Improvements within and without the boundaries of the District as such power and authority is described in the Local District Act, and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein.

1. **Improvements.** The District shall have authority to provide for the planning, design, acquisition, construction, installation, and dedication to the City or other appropriate public agencies of the Public Improvements within and without the boundaries of the District. Plans for all Public Improvements to be financed must be reviewed and approved by the City and other appropriate public service entity through established review processes prior to commencement of construction. The District is authorized to finance the following improvements (the “Pre-Requisite Improvements”), prioritized as follows, and as generally depicted in or required by the Approved Development Plan:

(a) *Water Tanks & Regional Well.* Construction of two (2) culinary water tanks of 4 million gallons each; drilling, casing, and equipping of new regional culinary water well; and power to the well. Final location of wells to be as approved by the City. Actual timing and priority of construction of the water tanks after financing will be in the discretion and at the direction of the City water department. Total estimated cost is \$17,000,000.

(b) *Public Utilities.* Installation of 9.33 miles of public utilities, including water, sewer, and power. Including 14” or 18” water mains, sewer mains, excavation, all to City standards. Main public utility route is depicted on the District Map attached as **Exhibit A**. Total estimated cost is \$34,105,650. The improvements identified in this paragraph (b) are understood by the District and the City to be of equal priority to those in paragraph (c), as they are anticipated to be constructed substantially in tandem.

(c) *Master Planned Public Roadways.* The master planned public roadways along the public utility route depicted on the District Map attached as **Exhibit A**. Including base course and asphalt pavement as required by City standards. Includes most of 2100 West and the south half of 2600 West streets. Total estimated cost is \$28,219,910. The improvements identified in this paragraph (c) are understood by the District and the City to be of equal priority to

those in paragraph (b), as they are anticipated to be constructed substantially in tandem.

(d) *Master Planned Trails and Sidewalks.* Installation of 12' paved trail and 5' sidewalks, including all associated curb and gutter, all to City standards, along the route of the master planned public roadways described in (c) above. Total estimated cost \$4,928,000.

It is anticipated that the District will have the capacity to finance the Pre-Requisite Improvements. **Exhibit B** provides an estimate of the total costs of all the Pre-Requisite Improvements described above, including additional details.

In the event that the financing capacity of the District, including all property annexed therein, is not sufficient to fully finance all of the Pre-Requisite Improvements, then the District will obtain what financing it can for the Pre-Requisite Improvements, and with said financing will either (a) complete such Pre-Requisite Improvements as can be completed with available financing, as said improvements are prioritized by the City; (b) dedicate the funds obtained by said financing toward the cost of completion of the Pre-Requisite Improvements by the City or other appropriate public utility agency(ies); or (c) some combination of (a) and (b), as agreed by the City.

The Pre-Requisite Improvements may be funded either through issuance of bonds or other sources of funds (such as developer contributions), but must be fully funded before other non-Pre-Requisite Improvements are financed through the District.

Any impact fee reimbursements or credits which become available due to the financing of public improvements by the District shall be for the benefit of the District and not any developer. The specifics of the scope and availability of impact fee reimbursements shall be reserved and may be addressed in a future interlocal agreement between the City and the District.

In the event that the Pre-Requisite Improvements are fully funded, and additional PID funds are still available, then said funds may be applied to additional Public Improvements approved by the City Council on a case-by-case basis.

2. Operations and Maintenance Limitation. The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. The District shall dedicate the Public Improvements to the City or other appropriate public entity or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. Trails which are interconnected with a city or regional trail system shall be open to the public free of charge and on the same basis as residents and owners of taxable property within the District.

3. Improvements Limitation. Notwithstanding the provisions of Section V.A.1 or 2 above, without written authorization of the City, the District shall not be authorized to

finance the costs of any improvements or facilities which are to be ultimately owned by the District.

4. Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work. City performance security requirements will be satisfied by depositing funds in a joint escrow account from which withdrawals require City staff approval, or other mechanism as may be reasonably acceptable to the City.

5. Procurement. The District shall be subject to the Utah Procurement Code, Title 63G, Chapter 6a. Notwithstanding this requirement, the District may acquire completed or partially completed improvements for fair market value as reasonably determined by a surveyor or engineer employed or selected by the District, with the approval of the City, which approval shall not be unreasonably withheld. Prior to awarding any bid for construction of Public Improvements, the intended award shall be reviewed and approved by the City Engineer or his designee. The District recognizes that it may be required to compensate the City for the time of any City employee or contractor required to perform such review.

6. Privately Placed Debt Limitation. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of a Municipal Advisor substantially as follows:

We are [I am] a Municipal Advisor within the meaning of the District's Governing Document.

We [I] certify that (1) the net effective interest rate to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

7. Annexation and Withdrawal.

(a) The District shall not include within any of its boundaries any property outside the District Area without the prior written consent of the City. The City, by resolution and this Governing Document, has consented to the annexation of any area within the Annexation Area Boundaries into the District. Such area may only be annexed upon the District obtaining consent of all property owners and registered voters, if any, within the area proposed to be annexed and the passage of a resolution of the Board approving such annexation.

(b) The City, by resolution and this Governing Document, has consented to the withdrawal of any area within the District Boundaries from the District. Such

area may only be withdrawn upon the District obtaining consent of all property owners and registered voters, if any, within the area proposed to be withdrawn and the passage of a resolution of the Board approving such annexation.

(c) Any annexation or withdrawal shall be in accordance with the requirements of the PID Act.

(d) Upon any annexation or withdrawal, the District shall provide the City a description of the revised District Boundaries.

(e) Annexation or withdrawal of any area in accordance with V.A.6(a) and (b) shall not constitute an amendment of this Governing Document.

8. Overlap Limitation. The District shall not impose aggregate mill levy for payment of Debt that exceeds the Maximum Debt Mill Levy of the District. The District shall not consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the District unless the aggregate mill levy for payment of Debt of such proposed districts will not at any time exceed the Maximum Debt Mill Levy of the District, or unless such other district is approved by the City.

9. Initial Debt Limitation. On or before the effective date of approval by the City of an Approved Development Plan, the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds.

10. Total Debt Issuance Limitation. The District shall not issue Debt in excess of an aggregate amount of One Hundred Ten Million Dollars (\$110,000,000). This amount excludes any portion of bonds issued to refund a prior issuance of debt by the District. In the event two or more districts create an interlocal agency to issue debt, only the par amount issued by such agency shall count against the Total Debt Issuance Limitation rather than the individual amounts pledged by each district.

11. Eminent Domain. In no event shall any District have authority to exercise eminent domain or utilize any funds of the District to support any eminent domain action or proceeding without the prior approval of the City Council.

12. Bankruptcy Limitation. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, Maximum Debt Mill Levy Imposition Term and the Fees have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17D-4-201(5), Utah Code. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and

(b) Are, together with all other requirements of Utah law, included in the “political or governmental powers” reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the “regulatory or electoral approval necessary under

applicable nonbankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Governing Document and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Governing Document Amendment.

13. Governing Document Amendment Requirement.

(a) This Governing Document has been designed with sufficient flexibility to enable the District to provide required facilities under evolving circumstances without the need for numerous amendments. Actions of the District which violate the limitations set forth in V.A.1-9 above or in VIII.B-G. shall be deemed to be material modifications to this Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

(b) Subject to the limitations and exceptions contained herein, this Governing Document may be amended by passage of a resolutions of the City and the District approving such amendment.

B. Preliminary Engineering Survey.

The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of the District, to be more specifically defined in an Approved Development Plan. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the District Area and is approximately Eighty-five Million Dollars (\$85,000,000).

All of the Public Improvements will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the City and/or any other applicable public entity and shall be in accordance with the requirements of the Approved Development Plan. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

**VI. THE BOARD OF TRUSTEES**

A. Board Composition. The Board shall be composed of five (5) Trustees who shall be appointed by the City Council pursuant to the PID Act. Trustees 1, 2, 3, 4 and 5 shall initially be at large. Trustee terms shall be staggered with initial terms as follows: Trustees 1 and 2 shall serve an initial term of 4 years; Trustees 3, 4 and 5 shall serve an initial term of 6 years. All terms shall commence on the date of issuance of a certificate of creation by the Office of the Lieutenant Governor of the State of Utah. In accordance with the PID Act, appointed Trustees shall not be required to be residents of the District.

B. Transition to Elected Board. Upon incorporation, the District shall estimate the total number of residential units within the District at full buildout of the property within the District (the “Anticipated REs”). Upon any annexation or withdrawal in accordance with this Governing Document, any affected District may adjust its Anticipated REs to reflect such boundary change. Respective board seats shall transition from appointed to elected seats according to the following milestones:

1. Trustee 1. Trustee 1 shall transition to an elected seat upon certificates of occupancy being issued for fifty percent (50%) of the Anticipated REs.

2. Trustee 2. Trustee 2 shall transition to an elected seat upon certificates of occupancy being issued for sixty-two and a half percent (62.5%) of the Anticipated REs.

3. Trustee 3. Trustee 3 shall transition to an elected seat upon certificates of occupancy being issued for seventy-five percent (75%) of the Anticipated REs.

4. Trustee 4. Trustee 4 shall transition to an elected seat upon certificates of occupancy being issued for eighty-two and a half percent (82.5%) of the Anticipated REs.

5. Trustee 5. Trustee 5 shall transition to an elected seat upon certificates of occupancy being issued for ninety percent (90%) of the Anticipated REs.

Notwithstanding the foregoing, any board seats which have not yet transitioned to an elected seat shall transition after twelve (12) years have passed from the date of issuance of a certificate of creation for the District. No transition pursuant to this Section shall become effective until the next scheduled regular election of the District. Registered voters within this Section shall mean voters whose “principal place of residence,” as that term is defined under Utah Code 20A-2-105(1)(a), is within the District.

C. Reelection and Reappointment. Upon the expiration of a Trustee’s respective term, any seat which has not transitioned to an elected seat shall be appointed by the City Council pursuant to the PID Act and any seat which has transitioned to an elected seat shall be elected pursuant to an election held for such purpose. In the event that no qualified candidate files to be considered for appointment or files a declaration of candidacy for a seat, such seat may be filled in accordance with the Local District Act.

D. Vacancy. Any vacancy on the Board shall be filled pursuant to the Local District Act.

E. Compensation. Only Trustees who are residents of the District may be compensated for services as Trustee. Such compensation shall be in accordance with State Law.

F. Conflicts of Interest. Trustees shall disclose all conflicts of interest. Any Trustee who discloses such conflicts in accordance with 17D-4-202 and 67-16-9, Utah Code, shall be entitled to vote on such matters.

## **VII. REGIONAL IMPROVEMENTS**

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements. Regional Improvements may include, and may not be limited to, a master planned road providing primary access to the Development and associated utilities in the roadway, two culinary water tanks, a water well, and power infrastructure to the water well. The extent to which the District will be able to finance these Improvements will depend primarily on how many additional properties in the Annexation Area are annexed into the District.

Nothing herein shall prevent the City from financing and completing, or authorizing the finance and completion by another district, of other local or regional improvements not listed above, or approving other mill levies to facilitate the financing of the same.

## **VIII. FINANCIAL PLAN**

### **A. General.**

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from its revenues and by and through the proceeds of Debt to be issued by the District. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay within the Maximum Debt Mill Levy Imposition Term from revenues derived from the Maximum Debt Mill Levy and other legally available revenues. The total Debt that the District shall be permitted to issue shall not exceed One Hundred Ten Million Dollars (\$110,000,000) and shall be permitted to be issued on a schedule and in such year or years as the District determines shall meet the needs of the Financial Plan referenced above and phased to serve development as it occurs. Any portion of bonds issued to refund a prior issuance of debt by the District shall not count against the permitted total Debt. In the event two or more districts create an interlocal agency to issue debt, only the par amount issued by such agency shall count against the Total Debt Issuance Limitation rather than the individual amounts pledged by each district. All bonds and other Debt issued by the District may be payable from any and all legally available revenues of the District, including general ad valorem taxes to be imposed upon all Taxable Property within the District. The District will also rely upon various other revenue sources authorized by law. These will include the power to assess Fees, penalties, or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time.

### **B. Maximum Interest Rate and Maximum Underwriting Discount.**

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed fifteen percent (15%). The proposed maximum underwriting discount will be five percent (5%). Debt, when issued, will comply with all relevant requirements of this Governing Document, State law and Federal law as then applicable to the issuance of public securities.

### **C. Maximum Debt Mill Levy.**

(a) The “Maximum Debt Mill Levy” shall be the maximum mill levy the District is permitted to impose in upon the taxable property within the District for payment of Limited Tax Debt, and shall be 0.003 per dollar of taxable value of taxable property in the District; provided that such levy shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code. Such Maximum Debt Mill Levy may also be used to pay administrative expenses of the District.

(b) Such Maximum Debt Mill Levy may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202, Utah Code.

(c) It is anticipated that the District may overlap with one or more of the Sand Hollow Mesa Public Improvement Districts (“SHMPIDs”) approved by the City, given that the improvements proposed to be financed by the District shall also benefit the area of the SHMPIDs. The District may also overlap with another district or districts approved by the City. Each of the SHMPIDs are forbidden from levying in any overlap area an aggregate mill levy which exceeds 0.0045, which is the Maximum Debt Mill Levy of the SHMPIDs. The aggregate mill levy of the District, the SHMPIDs, and any other overlapping district together shall not in any event be permitted to exceed the Maximum Debt Mill Levy of the SHMPIDs, on any property located within both the District and any of the SHMPIDs, or the District and any other district.

D. Maximum Debt Mill Levy Imposition Term.

Each bond issued by the District shall mature within Thirty-One (31) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding forty (40) years from the first date of imposition of the mill levy for such bond (the “Maximum Debt Mill Levy Imposition Term”).

E. Debt Repayment Sources.

The District may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service. The District may also rely upon various other revenue sources authorized by law. At the District’s discretion, these may include the power to assess penalties or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time. Except as described in Section VIII.C(a), the debt service mill levy in the District shall not exceed the Maximum Debt Mill Levy or, the Maximum Debt Mill Levy Imposition Term, except for repayment of General Obligation Debt.

The District shall not be permitted to charge an End User the costs of any portion of a Public Improvement for which such End User has already paid or is presently obligated to pay through any combination of mill levy or impact fee. This provision shall not prohibit the division of costs between mill levies or impact fees, but is intended to prevent double taxation of End Users for the costs of Public Improvements.

F. Debt Instrument Disclosure Requirement.

In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Governing Document for creation of the District.

Similar language describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Governing Document shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the District.

G. Security for Debt.

The District shall not pledge any revenue or property of the City as security for the indebtedness set forth in this Governing Document. Approval of this Governing Document shall not be construed as a guarantee by the City of payment of any of the District's obligations; nor shall anything in the Governing Document be construed so as to create any responsibility or liability on the part of the City in the event of default by the District in the payment of any such obligation.

H. District's Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the District's organization and initial operations, are anticipated to be Seventy-Five Thousand Dollars (\$75,000), which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed. The first year's administrative operating budget is estimated to be approximately Seventy-five Thousand Dollars (\$75,000) which is anticipated to be borne by developer(s) until such time a reimbursement can be derived from property taxes and other revenues, pursuant to a reimbursement agreement between the District and developers.

I. Bond and Disclosure Counsel.

It is the intent of the City that the District shall use competent and nationally recognized bond and disclosure counsel and Municipal Advisor with respect to District Bonds to ensure proper issuance and compliance with this Governing Document. The District has agreed to utilize the City's counsel, Gilmore & Bell, P.C., as bond and disclosure counsel and Zions Public Finance, Inc., as Municipal Advisor with respect to District Bonds as permitted by law. The foregoing requirement may be waived by vote of the City Council.

**IX. ANNUAL REPORT**

A. General.

The District shall be responsible for submitting an annual report to the City Manager's Office no later than 180 days following the end of the District's fiscal year.

B. Reporting of Significant Events.

The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.
2. List of current interlocal agreements, if changed (to be delivered to the City upon request);
3. Names and terms of Board members and officers and progress towards milestones required for transition to elected Board;
4. District office contact information;
5. Rules and regulations of the District regarding bidding, conflict of interest, contracting, and other governance matters, if changed;
6. A summary of any litigation which involves the District Public Improvements as of the last day of the prior fiscal year;
7. Status of the District's construction of the Public Improvements as of last day of the prior fiscal year and listing all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of the last day of the prior fiscal year;
8. A table summarizing total debt authorized and total debt issued by the District as well as any presently planned debt issuances;
9. Official statements of current outstanding bonded indebtedness, if not previously provided to the City;
10. Current year budget including a description of the Public Improvements to be constructed in such year;
11. The District's financial statements, for the previous fiscal year, such statements shall be audited if required pursuant to State law or relevant bond documents (such statements shall be submitted within thirty (30) days of completion if completed after one hundred eighty (180) days following the end of the fiscal year);
12. Notice of any uncured events of default by the District, which continue beyond a 90 day period, under any Debt instrument; and
13. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

**X. DISSOLUTION**

Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations as required pursuant to State statutes.

**XI. DISCLOSURE TO PURCHASERS**

Within thirty (30) days of the City adopting a resolution creating the District, the Board shall record a notice with the recorder of Washington County. Such notice shall (a) contain a description of the boundaries of the District, (b) state that a copy of this Governing Document is on file at the office of the City, (c) state that the District may finance and repay infrastructure and other improvements through the levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filed with the City.

In addition, the Applicant and the Board shall ensure that the Applicant, homebuilders, commercial developers, and commercial lessors, as applicable, disclose the following information to initial resident homeowners, renters, commercial property owners, and/or commercial tenants:

- (1) All of the information in the first paragraph of this XI;
- (2) A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“Under the maximum property tax rate of the District, **for every \$100,000 of taxable value**, there would be an **additional annual property tax of \$300** for the duration of the District’s Bonds.”
- (3) Such disclosures shall be contained on a separate-colored page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.

**XII. INTERLOCAL AGREEMENT**

The form of the Interlocal Agreement required by the City Code, relating to the limitations imposed on the District’s activities, is attached hereto as **Exhibit C**. The District shall approve the Interlocal Agreement in the form attached as **Exhibit C** at its first Board meeting after its organization. Failure of the District to execute the Interlocal Agreement as required herein shall constitute a material modification and shall require a Governing Document Amendment. The City Council shall approve the Interlocal Agreement in the form attached as **Exhibit C** at the public hearing approving the Governing Document.

**EXHIBIT A**

Initial District Boundary Map

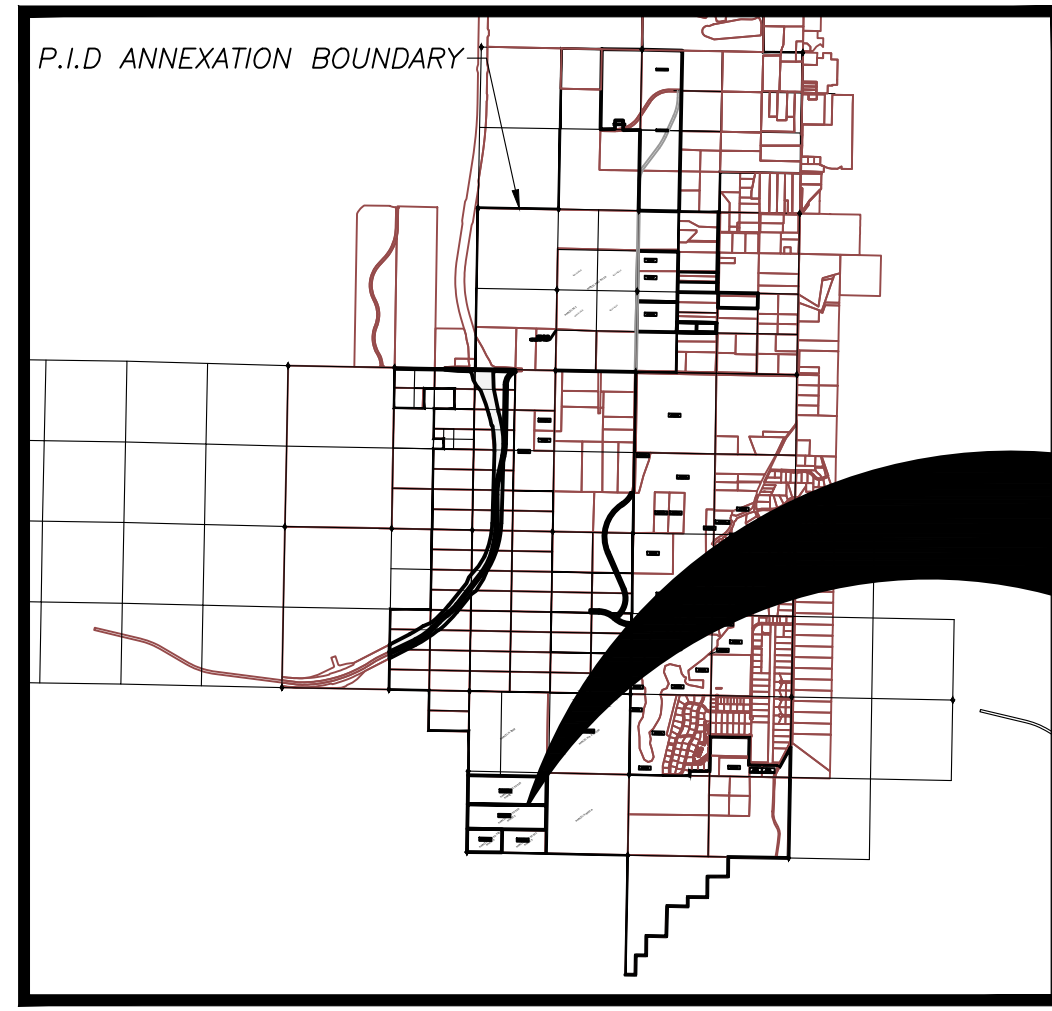
Annexation Area Boundary Map

Legal Descriptions

*(see following pages)*

# PUBLIC INFRASTRUCTURE IMPROVEMENT DISTRICT MAP FOR: BENCH LAKE ANNEXATION BOUNDARY

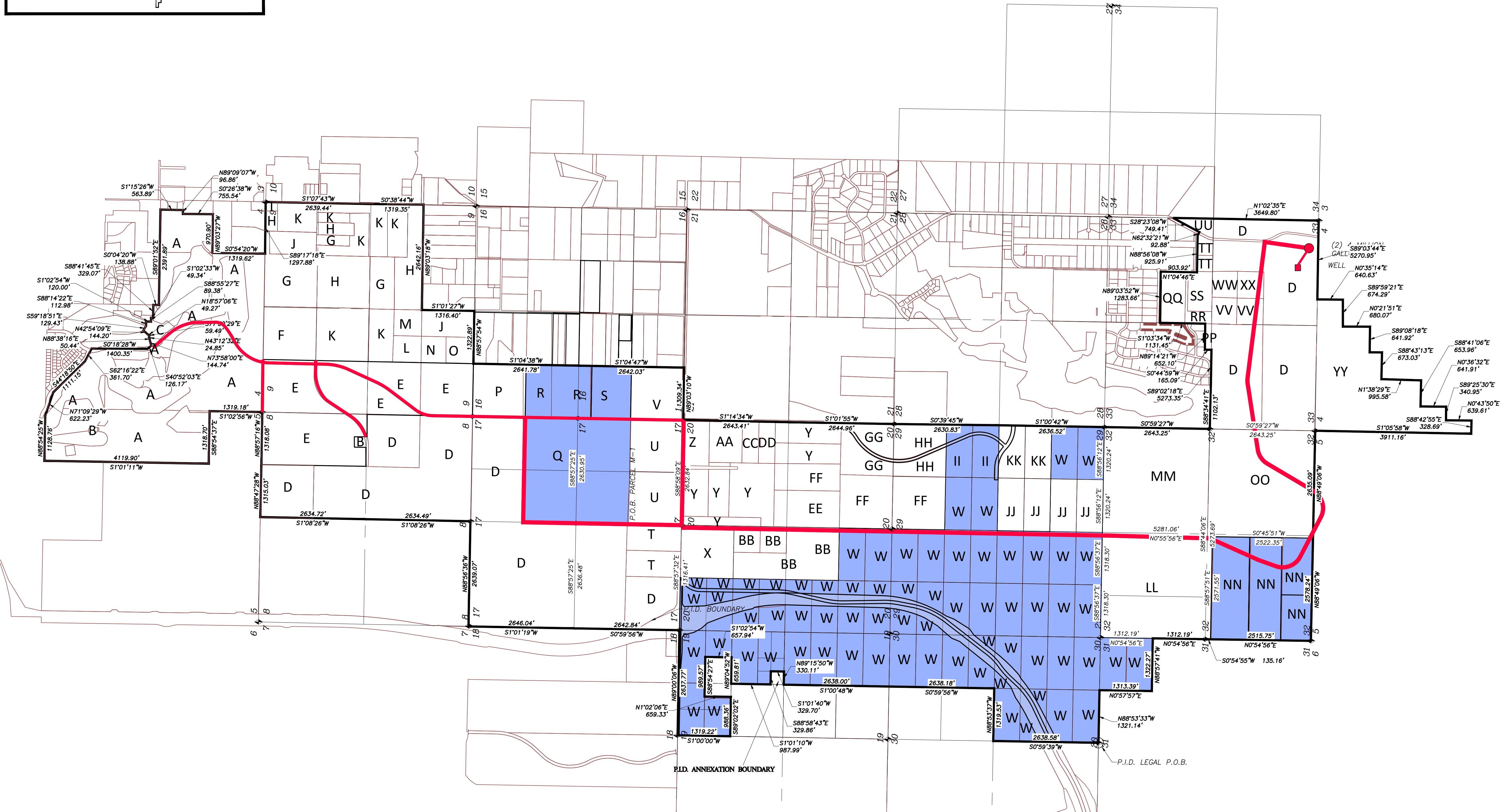
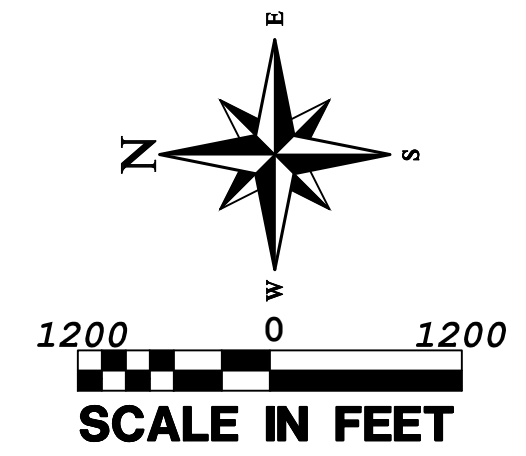
LOCATED IN T42S & T43S, R13W, S.L.B.&M.  
WASHINGTON COUNTY, UTAH



**P.I.D. LOCATION**

### LEGEND

- P.I.D. PARTICIPANTS
- BENCH LAKE P.I.D. IMPROVEMENTS OF ROAD, WATERLINE, TANK, WELL, POWER AND UTILITIES. ROAD WILL BE 60 OR 77 FOOT WIDE WITH 12 FOOT TRAIL.
- SAND HOLLOW MESA P.I.D.'s #1-3 LOCATION
- PROPERTY LINE
- P.I.D. BOUNDARY LINE
- SECTION LINE
- SECTION CORNER AS DESCRIBED



NO.	REVISIONS	DESCRIPTION	DATE	BY

**PROVALUE ENGINEERING, INC.**  
Engineers - Land Surveyors - Land Planners  
20 South 850 West, Suite 1  
Hurricane City, Utah 84501  
Phone: (435) 888-8801



PUBLIC INFRASTRUCTURE IMPROVEMENT DISTRICT MAP FOR:  
**BENCH LAKE ANNEXATION BOUNDARY**  
LOCATED IN T42S & T43S, R13W, S.L.B.&M.

DATE: 3-1-2022  
SCALE: 1"=1200'  
JOB NO: 659-001  
SHEET NO:  
**1 OF 5**

659-001

# PARCEL SUMMARY FOR: BENCH LAKE ANNEXATION BOUNDARY

LOCATED IN SECTION 32, T42S, R13W, S.L.B.&M.  
WASHINGTON COUNTY, UTAH

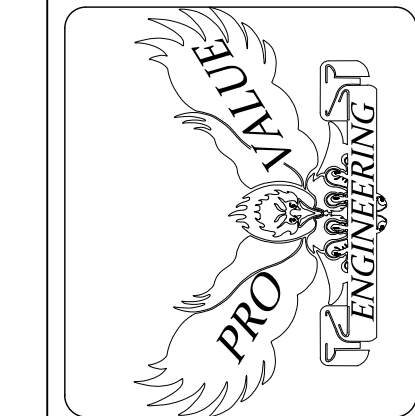
PARCEL ID	PARCEL #	OWNER	ADDRESS
A	H-3-2-4-139	WPP HURRICANE LAND LLC	595 S RIVERWOODS PKWY STE 400 LOGAN, UT 84321
A	H-3-2-4-44021	WPP HURRICANE LAND LLC	595 S RIVERWOODS PKWY STE 400 LOGAN, UT 84321
AA	H-3390-A-1	ISOM DAVID S & KATHLEEN A TRS	392 W 400 S HURRICANE, UT 84737
B	H-3-2-5-1104	HURRICANE CITY	147 N 870 W HURRICANE, UT 84737-1671
B	H-3-2-8-121	HURRICANE CITY	147 N 870 W HURRICANE, UT 84737-1671
BB	H-3-2-20-420	CAPITAL D INV LLC	1538 W 3780 S SAINT GEORGE, UT 84790
BB	H-3382	CAPITAL D INV LLC	1538 W 3780 S SAINT GEORGE, UT 84790
BB	H-3384-A-1	CAPITAL D INV LLC	1538 W 3780 S SAINT GEORGE, UT 84790
C	H-3-2-4-133	RR PENGA LLC	3507 KIRK CIR SALT LAKE CITY, UT 84106
CC	H-3390-A-2	JENSEN MARIAN I TR	146 E 5600 S OGDEN, UT 84405
D	H-3-2-8-1401	LOWE LAND 280 LLC	1038 E 760 N OREM, UT 84097
D	H-3-2-8-210	LOWE LAND 280 LLC	1038 E 760 N OREM, UT 84097
D	H-3-2-8-4101	LOWE LAND 280 LLC	1038 E 760 N OREM, UT 84097
D	H-3373	LOWE LAND 280 LLC	1038 E 760 N OREM, UT 84097
T	H-3374-C	LOWE LAND BL LLC	1038 E 760 N OREM, UT 84097
D	H-3403-U	LOWE LAND BL LLC	1038 E 760 N OREM, UT 84097
D	H-3403-W	LOWE LAND BL LLC	1038 E 760 N OREM, UT 84097
D	H-3403-X	LOWE LAND BL LLC	1038 E 760 N OREM, UT 84097
DD	H-3390-A-3	DIAMOND D RANCH INC	1822 N 2500 W SAINT GEORGE, UT 84770
E	H-3-2-8-1201	J R S INVESTMENTS L C	730 N 700 W SAINT GEORGE, UT 84770-2620
E	H-3-2-9-330	J R S INVESTMENTS L C	730 N 700 W SAINT GEORGE, UT 84770-2620
EE	H-3384-B	HUGHES DENICE J & BECKY JO	2175 E 2450 S ST GEORGE, UT 84790
F	H-3-2-9-410	BLAZZARD JAMES	233 KIRK AVE HENDERSON, NV 89015
FF	H-3385	FREI BLAKE	2508 STEFANIE LN SANTA CLARA, UT 84765
FF	H-3393	FREI BLAKE	2508 STEFANIE LN SANTA CLARA, UT 84765
FF	H-3399	FREI BLAKE	2508 STEFANIE LN SANTA CLARA, UT 84765
G	H-3-2-4-223	BLAU DELRAY R & MONA RAE TRS	114 HICKORY ST HENDERSON, NV 89015-5217
G	H-3-2-9-124	BLAU DELRAY R & MONA RAE TRS	114 HICKORY ST HENDERSON, NV 89015-5217
G	H-3-2-9-240	BLAU DELRAY R & MONA RAE TRS	114 HICKORY ST HENDERSON, NV 89015-5217
GG	H-3386-B	TYTANIUM DEV LLC	3439 S BARCELONA DR #46 SAINT GEORGE, UT 84790
H	H-3-2-4-222	HALL LEGRAND T & DONNA L TRS	121 HICKORY ST HENDERSON, NV 89015-6338
H	H-3-2-9-123	HALL LEGRAND T & DONNA L TRS	121 HICKORY ST HENDERSON, NV 89015-6338
H	H-3-2-9-130	HALL LEGRAND T & DONNA L TRS	121 HICKORY ST HENDERSON, NV 89015-6338
H	H-3-2-9-213	HALL LEGRAND T & DONNA L TRS	121 HICKORY ST HENDERSON, NV 89015-6338
HH	H-3399-NP	SPILSBURY CATTLE CO 1 LLC	110 S BLUFF ST SAINT GEORGE, UT 84770
I	H-3-2-4-224	BEECHER HELEN TR	960 W 1300 S HURRICANE, UT 84737
II	H-3399-B	WESTERN STATES VENTURES SG LLC	2265 E MURRAY HOLLADAY RD SALT LAKE CITY, UT 84117-5397
II	H-3399-I	WESTERN STATES VENTURES SG LLC	2265 E MURRAY HOLLADAY RD SALT LAKE CITY, UT 84117-5397
J	H-3-2-9-113	CALL FRANK RICHARD & CAROL A	101 CASCADING WATER PL LAKEWAY, TX 78734-2057
J	H-3-2-9-320	CALL FRANK RICHARD TR	101 CASCADING WATER PL LAKEWAY, TX 78734-2057
JJ	H-3399-E	DESERT LAKES LLC	321 N MALL DR T102 SAIN GEORGE, UT 84790
JJ	H-3399-F	DESERT LAKES LLC	321 N MALL DR T102 SAIN GEORGE, UT 84790
JJ	H-3399-G	DESERT LAKES LLC	321 N MALL DR T102 SAIN GEORGE, UT 84790
JJ	H-3399-H	DESERT LAKES LLC	321 N MALL DR T102 SAIN GEORGE, UT 84790
K	H-3-2-9-112	ZIONS GATE ESTATES LLC	3018 E 3300 S SALT LAKE CITY, UT 84109-2144
K	H-3-2-9-121	ZIONS GATE ESTATES LLC	3018 E 3300 S SALT LAKE CITY, UT 84109-2144
K	H-3-2-9-122	ZIONS GATE ESTATES LLC	3018 E 3300 S SALT LAKE CITY, UT 84109-2144
K	H-3-2-9-125	ZIONS GATE ESTATES LLC	3018 E 3300 S SALT LAKE CITY, UT 84109-2144
K	H-3-2-9-212	ZIONS GATE ESTATES LLC	3018 E 3300 S SALT LAKE CITY, UT 84109-2144

## P.I.D. ANNEXATION BOUNDARY LEGAL DESCRPTION

BEGINNING AT THE SOUTH QUARTER CORNER OF SECTION 30, TOWNSHIP 42 SOUTH, RANGE 13 WEST, SALT LAKE BASE AND MERIDIAN;  
 THENCE N00°59'39"E ALONG THE QUARTER SECTION LINE, 2638.58 FEET;  
 THENCE S88°53'37"E ALONG THE QUARTER SECTION LINE, 1319.53 FEET;  
 THENCE N00°59'56"E ALONG THE SIXTEENTH SECTION LINE, 2638.18 FEET;  
 THENCE N01°00'48"E ALONG THE SIXTEENTH SECTION LINE, 2638.00 FEET;  
 THENCE S89°15'50"E 330.11 FEET; THENCE N01°01'40"E 329.70 FEET;  
 THENCE N88°58'43"W 329.86 FEET; THENCE N01°01'10"E ALONG THE SIXTEENTH SECTION LINE, 987.99 FEET;  
 THENCE S89°04'52"E 659.81 FEET; THENCE N01°02'54"E 657.94 FEET; THENCE N88°54'27"W 989.57 FEET;  
 THENCE S01°02'06"W 659.33 FEET; THENCE N89°02'02"W 988.36 FEET;  
 THENCE N01°00'00"E ALONG THE QUARTER SECTION LINE, 1319.22 FEET TO THE NORTH QUARTER CORNER OF SECTION 19;  
 THENCE S89°00'06"E ALONG THE NORTH SECTION LINE OF SECTION 19, 2637.77 FEET;  
 THENCE N00°59'56"E 2642.84 FEET TO THE WEST QUARTER CORNER OF SECTION 17;  
 THENCE N01°01'19"E ALONG THE QUARTER SECTION LINE, 2646.04 FEET TO THE NORTHWEST CORNER OF SECTION 17;  
 THENCE S88°56'36"E ALONG THE NORTH SECTION LINE OF SECTION 17, 2639.07 FEET TO THE SOUTH QUARTER CORNER OF SECTION 8;  
 THENCE N01°08'26"E ALONG THE QUARTER SECTION LINE, 2634.49 FEET;  
 THENCE N01°08'26"E 2634.72 FEET; THENCE S88°47'28"E 1315.03 FEET;  
 THENCE S88°57'16"E 1318.08 FEET; THENCE N01°02'56"E 1319.18 FEET;  
 THENCE N88°54'37"W 1318.70 FEET; THENCE N01°01'11"E 4119.90 FEET;  
 THENCE S88°54'25"E 1128.76 FEET; THENCE S71°09'29"E 622.23 FEET;  
 THENCE S44°18'50"E 1111.15 FEET; THENCE S62°16'22"E 361.70 FEET;  
 THENCE S00°18'28"W 1400.35 FEET; THENCE S40°52'03"E 126.17 FEET;  
 THENCE N73°58'00"E 144.74 FEET; THENCE N88°38'16"E 50.44 FEET;  
 THENCE N43°12'32"E 24.85 FEET; THENCE S77°30'29"E 59.49 FEET;  
 THENCE N18°57'06"E 49.27 FEET; THENCE N42°54'09"E 144.20 FEET;  
 THENCE S59°18'51"E 129.43 FEET; THENCE S88°14'22"E 112.98 FEET;  
 THENCE S01°02'54"W 120.00 FEET; THENCE S88°55'27"E 89.38 FEET;  
 THENCE S01°02'33"W 49.34 FEET; THENCE S88°41'45"E 329.07 FEET;  
 THENCE S00°04'20"W 138.88 FEET; THENCE S89°01'52"E 2391.89 FEET;  
 THENCE S01°15'26"W 563.89 FEET; THENCE N89°09'07"W 96.86 FEET;  
 THENCE S00°26'38"W 755.54 FEET; THENCE N89°03'27"W 970.90 FEET;  
 THENCE S00°54'20"W 1319.62 FEET; THENCE S89°17'18"E 1297.88 FEET;  
 THENCE S01°07'43"W 2639.44 FEET; THENCE S00°38'44"W 1319.35 FEET;  
 THENCE N89°03'18"W 2642.16 FEET; THENCE S01°01'27"W 1316.40 FEET;  
 THENCE N88°57'54"W 1322.89 FEET;  
 THENCE S01°04'38"W ALONG THE SIXTEENTH LINE, 2641.78 FEET;  
 THENCE S01°04'47"W ALONG THE SIXTEENTH LINE, 2642.03 FEET TO THE NORTH SECTION LINE OF SECTION 21;  
 THENCE S88°59'31"E ALONG THE NORTH SECTION LINE, 1319.05 FEET TO THE NORTH QUARTER CORNER OF SECTION 21;  
 THENCE S00°52'39"W ALONG THE QUARTER SECTION LINE, 2642.99 FEET;  
 THENCE S00°52'39"W ALONG THE QUARTER SECTION LINE, 1854.13 FEET;  
 THENCE N89°03'17"E 651.20 FEET; THENCE N67°32'58"E 719.36 FEET TO THE BOUNDARY LINE OF 1100 WEST STREET;  
 THENCE ALONG SAID BOUNDARY, SOUTHERLY ALONG THE ARC OF A 777.03 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT  
 (LONG CHORD BEARS: S01°38'47"E 225.81 FEET), CENTER POINT LIES S83°17'30"E THROUGH A CENTRAL ANGLE OF  
 16°42'34" A DISTANCE OF 226.61 FEET; THENCE S06°55'26"W 79.06 FEET;  
 THENCE ALONG THE BOUNDARY LINE OF HURRICANE CITY LIMITS THE FOLLOWING 50 (FIFTY) COURSES:  
 WESTERLY ALONG THE ARC OF A 867.74 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT  
 (LONG CHORD BEARS: S74°01'54"W 176.73 FEET), CENTER POINT LIES S10°07'24"E THROUGH A CENTRAL ANGLE OF  
 11°41'23" A DISTANCE OF 177.04 FEET; THENCE S67°43'07"W 88.69 FEET;  
 THENCE S05°49'49"W 293.40 FEET; THENCE S38°27'57"E 1605.65 FEET;  
 THENCE N59°19'35"E 220.30 FEET; THENCE S30°40'12"E 50.00 FEET;  
 THENCE S59°19'36"W 387.01 FEET; THENCE S01°09'10"W 662.01 FEET;  
 THENCE N88°52'02"W 174.68 FEET; THENCE S04°34'12"E 999.91 FEET;  
 THENCE N88°55'56"W 544.40 FEET; THENCE S01°06'55"W 1294.29 FEET;  
 THENCE N89°02'59"W 1314.41 FEET; THENCE S00°59'24"W 1344.50 FEET;  
 THENCE N88°56'46"W 1024.84 FEET; THENCE S13°20'01"W 1418.06 FEET;  
 THENCE S13°36'52"W 965.73 FEET; THENCE S00°29'25"W 322.11 FEET;  
 THENCE S89°02'20"E 883.29 FEET; THENCE N00°44'59"E 165.09 FEET;  
 THENCE S89°14'21"E 652.10 FEET; THENCE N01°03'34"E 1131.45 FEET;  
 THENCE S89°03'52"E 1283.66 FEET; THENCE S01°04'46"W 903.92 FEET;  
 THENCE S88°56'08"E 925.91 FEET; THENCE S62°32'21"E 92.88 FEET;  
 THENCE N28°23'08"E 749.41 FEET TO THE EAST SECTION LINE OF SECTION 33;  
 THENCE S01°02'35"W ALONG THE EAST SECTION LINE, 1008.75 FEET;  
 THENCE S01°02'35"W ALONG THE EAST SECTION LINE, 2641.06 FEET TO THE SOUTHEAST CORNER OF SECTION 33;  
 THENCE N89°03'44"W ALONG THE SOUTH SECTION LINE OF SECTION 33, 1977.18 FEET;  
 THENCE S00°35'14"W 640.63 FEET; THENCE N89°59'21"W 674.29 FEET;  
 THENCE S00°21'51"W 680.07 FEET; THENCE N89°08'18"W 641.92 FEET;  
 THENCE S00°18'23"W 309.88 FEET; THENCE N88°43'13"W 670.71 FEET;  
 THENCE S01°46'31"W 995.60 FEET; THENCE N88°41'06"W 653.96 FEET;  
 THENCE S00°36'32"W 641.91 FEET; THENCE N89°25'30"W 340.95 FEET;  
 THENCE S00°31'00"W 639.64 FEET; THENCE N88°42'54"W 331.07 FEET;  
 THENCE N01°05'58"E 3911.16 FEET TO THE SOUTHEAST CORNER OF SECTION 32;  
 THENCE N88°49'06"W ALONG THE SOUTH SECTION LINE, FEET, 2635.09 FEET;  
 THENCE N88°49'06"W ALONG THE SOUTH SECTION LINE, FEET, 2635.08 FEET TO THE SOUTHWEST CORNER OF SECTION 32;  
 THENCE N00°54'56"E ALONG THE WEST SECTION LINE, 2650.91 FEET TO THE WEST QUARTER CORNER OF SECTION 32;  
 THENCE N00°54'56"E ALONG THE WEST SECTION LINE, 1312.19 FEET;  
 THENCE N88°57'41"W 1322.27 FEET; THENCE N00°57'57"E 1313.39 FEET TO THE SOUTH SECTION LINE OF SECTION 30;  
 THENCE N88°53'33"W ALONG THE SOUTH SECTION LINE, FEET, 1321.14 FEET TO THE POINT OF BEGINNING.  
 AREA CONTAINS 220,312,481 SQUARE FEET OR 5,057,679 ACRES.

NO	REVISION	DATE	BY

**PROVALUE ENGINEERING, INC.**  
 Engineers - Land Surveyors - Land Planners  
 20 South 850 West, Suite 1  
 Hurricane City, Utah 84037  
 Phone: (435) 666-0801



PARCEL SUMMARY SHEET FOR:  
**BENCH LAKE ANNEXATION BOUNDARY**  
 LOCATED IN SECTION 32, T42S, R13W, S.L.B.&M.

DATE: 3-1-2022  
 SCALE: N/A  
 JOB NO:  
 689-001  
 SHEET NO:  
**2 OF 5**

689-001

# PARCEL SUMMARY FOR: **BENCH LAKE ANNEXATION BOUNDARY**

LOCATED IN SECTION 32, T42S, R13W, S.L.B.&M.  
WASHINGTON COUNTY, UTAH

K	H-3-2-9-310	ZIONS GATE ESTATES LLC	3018 E 3300 S SALT LAKE CITY, UT 84109-2144
K	H-3-2-9-420	ZIONS GATE ESTATES LLC	3018 E 3300 S SALT LAKE CITY, UT 84109-2144
KK	H-3400-Q	RIVER VALLEY DEV LLC	470 N 2450 W TREMONTON, UT 84337
KK	H-3400-R	RIVER VALLEY DEV LLC	470 N 2450 W TREMONTON, UT 84337
L	H-3-2-9-312	HALL BRAD S & VIRGINIA H	15142 W LACEY RD POCATELLO, ID 83202-5044
LL	H-3402	FIREBIRD LLC	3504 ANGELUS AVE GLENDALE, CA 91208
M	H-3-2-9-311	HALL DAVID B & ROSULAM	1021 LARKSPUR LN OAKLAND, OR 97462
MM	H-3-2-32-100	COPPER ROCK PROPERTIES LC	PO BOX 160 HURRICANE, UT 84737-0160
N	H-3-2-9-322	GARDNER DAVID LEE & PEGGY HALL TRS	241 W KIMBERLY DR HENDERSON, NV 89015
NN	H-3-2-32-310	CALYPSO RIDGE PROPERTIES LLC	5500 S HOLLADAY BLVD HOLLADAY, UT 84117
NN	H-3-2-32-320	CALYPSO RIDGE PROPERTIES LLC	5500 S HOLLADAY BLVD HOLLADAY, UT 84117
NN	H-3-2-32-321	CALYPSO RIDGE PROPERTIES LLC	5500 S HOLLADAY BLVD HOLLADAY, UT 84117
NN	H-3-2-32-330	CALYPSO RIDGE PROPERTIES LLC	5500 S HOLLADAY BLVD HOLLADAY, UT 84117
O	H-3-2-9-321	HOME POINT INC	PO BOX 974 PAROWAN, UT 84761-0974
OO	H-3401-A	TWIN VENTURES LLC	781 S AUTO MALL DR #102 AMERICAN FORK, UT 84003
P	H-3372	WRIGHT DAVID BURKE & KERRI M	PO BOX 86 GARRISON, UT 84728-0086
PP	H-3403-F	PERKINS MERRI ANN TR	1449 W 4620 S HURRICANE, UT 84737
Q	H-3373-NP	MOLLYS VIEW LLC	1568 S RIVER RD STE 200 SAINT GEORGE, UT 84790-2291
QQ	H-3403-C-2	JACOBSEN J DOUGLAS	4693 MADISON AVE OGDEN, UT 84403-3007
R	H-3345	BENCH LAKE LLC	243 E ST GEORGE BLVD #200 SAINT GEORGE, UT 84770
R	H-3346	BENCH LAKE LLC	243 E ST GEORGE BLVD #200 SAINT GEORGE, UT 84770
RR	H-3403-E-2	HEVELONE JOHANNA L TR	1301 W 4620 S HURRICANE, UT 84737
S	H-3347-A	CASSINAT JOHN & JAN	533 N 800 W PROVO, UT 84601
SS	H-3403-K	CAMPBELL R SCOTT & RONDA TRS	PO BOX 1700 SANDY, UT 84091-1700
T	H-3374-A	MILLS GLEN H TR	303 W 800 N # 5 CLEARFIELD, UT 84015
T	H-3374-B	MILLS GLEN H TR	303 W 800 N # 5 CLEARFIELD, UT 84015
TT	H-3403-D-1	ABANDONATO MARCEL JOSEPH & JENNIFER T	1693 HONORS CIR CORONA, CA 92883
TT	H-3403-D-3-A	ABANDONATO MARCEL JOSEPH & JENNIFER T	1693 HONORS CIR CORONA, CA 92883
U	H-3375	WASHINGTON COUNTY WATER CONSERV DIST	533 WATER WORKS WAY SAINT GEORGE, UT 84770
U	H-3376-A	WASHINGTON COUNTY WATER CONSERV DIST	533 WATER WORKS WAY SAINT GEORGE, UT 84770
UU	H-3403-C-3	RLB&M ENTERPRISES LLC	561 E TABERNACLE ST SAINT GEORGE, UT 84770
V	H-3347-B-1	EARL ZARBOCK LTD FAM PTSHP	PO BOX 901122 SANDY, UT 84090
VV	H-3403-E-1	QUALITY AUTO SALES LLC 401K PROFIT SHARING PLAN FBO STEELE HEIDI A	5376 W 3160 S HURRICANE, UT 84737
VV	H-3403-H	QUALITY AUTO SALES LLC 401K PROFIT SHARING PLAN FBO STEELE HEIDI A	5376 W 3160 S HURRICANE, UT 84737
W	H-3399-A	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3399-C	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3399-D	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-A	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-B	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-D	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-E	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-F	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-G	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-H	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-I	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-J	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-K	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-L	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-M	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-N	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138

NO	REVISIONS	DESCRIPTION	DATE	BY

**PROVALUE ENGINEERING, INC.**  
Engineers - Land Surveyors - Land Planners  
20 South 850 West, Suite 1  
Hurricane City, Utah 84737  
Phone: (435) 666-6601



PARCEL SUMMARY SHEET FOR:  
**BENCH LAKE ANNEXATION BOUNDARY**  
LOCATED IN SECTION 32, T42S, R13W, S.L.B.&M.

DATE: 3-1-2022  
SCALE: N/A

JOB NO:  
659-001

SHEET NO:  
**3 OF 5**

659-001

# PARCEL SUMMARY FOR: BENCH LAKE ANNEXATION BOUNDARY

LOCATED IN SECTION 32, T42S, R13W, S.L.B.&M.  
WASHINGTON COUNTY, UTAH

W	H-3400-O	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-P	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-S	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3400-T	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3409	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3409-B-2	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3409-C-2	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3409-D	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3409-E	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3409-F	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3409-G	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3409-H	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3409-I	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3409-J	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3410	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3410-B	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3410-C	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3410-D	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3410-E	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3410-F	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3410-G	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3410-H	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3410-I	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3410-J	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3421	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3421-A	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3421-C	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3421-D	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3421-E	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3421-F	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3421-G	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3421-H	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3421-I	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3421-J	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3421-K	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3421-L	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3422	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
W	H-3422-B	TOQUERVILLE ENTERPRISES L C	770 PORTO MIO WAY LAS VEGAS, NV 89138
WW	H-3403-E-3	FOISY STEVE E	2105 S BALBOA WAY # 8 SAINT GEORGE, UT 84770
X	H-3391	WAVSS LLC	2514 W SPILSBURY CT HURRICANE, UT 84737
XX	H-3403-A	GERONDALE LESLIE L	5376 W 3160 S HURRICANE, UT 84737
Y	H-3383-A-1	HURRICANE ENTERPRISES LTD	485 WESTMINSTER DR MORAGA, CA 94556-2318
Y	H-3386-A	HURRICANE ENTERPRISES LTD	485 WESTMINSTER DR MORAGA, CA 94556-2318
Y	H-3387	HURRICANE ENTERPRISES LTD	485 WESTMINSTER DR MORAGA, CA 94556-2318
Y	H-3388-A-1	HURRICANE ENTERPRISES LTD	485 WESTMINSTER DR MORAGA, CA 94556-2318
Y	H-3389-A-2-A	HURRICANE ENTERPRISES LTD	485 WESTMINSTER DR MORAGA, CA 94556-2318
Y	H-3389-B	HURRICANE ENTERPRISES LTD	485 WESTMINSTER DR MORAGA, CA 94556-2318
YY	H-3405-A	JAXSON PARK LLC	599 CYNTHIA LN SANTA CLARA, UT 84765
Z	H-3392	HEATON STEVE M & JUDY H	493 N 500 W SAINT GEORGE, UT 84770-4522

NO	REVISIONS	DESCRIPTION	DATE	BY

**PROVALUE ENGINEERING, INC.**  
Engineers - Land Surveyors - Land Planners  
20 South 850 West, Suite 1  
Hurricane City, Utah 84737  
Phone: 435-669-0801



PARCEL SUMMARY SHEET FOR:  
**BENCH LAKE ANNEXATION BOUNDARY**  
LOCATED IN SECTION 32, T42S, R13W, S.L.B.&M.

DATE: 3-1-2022  
SCALE: N/A

JOB NO:  
659-001

SHEET NO:  
**4 OF 5**

659-001

# P.I.D. PARTICIPANT LEGAL DESCRIPTIONS FOR: BENCH LAKE ANNEXATION BOUNDARY

LOCATED IN SECTION 32, T42S, R13W, S.L.B.&M.  
WASHINGTON COUNTY, UTAH

## BALANCE OF NATURE LEGAL DESCRIPTION

BEGINNING AT THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 42 SOUTH, RANGE 13 WEST, SALT LAKE BASE AND MERIDIAN; THENCE N01°04'40"E, ALONG THE QUARTER SECTION LINE 1321.37 FEET TO THE CENTER QUARTER CORNER OF SECTION 17; THENCE N01°04'40"E ALONG THE QUARTER SECTION LINE, 1322.71 FEET TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 17; THENCE S88°55'19"E ALONG THE SIXTEENTH LINE, 2629.96 FEET TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 17; THENCE S01°02'06"W ALONG THE EAST SECTION LINE, 1321.10 FEET TO THE EAST QUARTER CORNER OF SECTION 17; THENCE S01°02'13" ALONG THE EAST SECTION LINE, 1321.10 FEET TO THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 17; THENCE N88°57'47"W ALONG THE SIXTEENTH LINE, 2631.90 FEET TO THE POINT OF BEGINNING.

AREA CONTAINS 6,953,936 SQUARE FEET OR 159.640 ACRES

## 1020 ACRE LEGAL DESCRIPTION

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 29, TOWNSHIP 42 SOUTH, RANGE 13 WEST, SALT LAKE BASE AND MERIDIAN, BEING THE COMMON CORNER OF SECTIONS 29, 30, 31 & 32; THENCE S00°54'56"W, ALONG THE EAST SECTION LINE OF SECTION 31, 1312.19 FEET TO THE 1/16 CORNER OF SAID SECTION 31; THENCE N88°57'41"W, ALONG THE 1/16TH LINE, 1322.27 FEET TO THE NORTH-SOUTH 1/16TH LINE; THENCE N00°57'56"E, ALONG THE 1/16TH/ LINE, 1313.59 FEET TO THE 1/16TH CORNER ON THE SOUTH SECTION LINE OF SECTION 30; THENCE N88°53'33"W, ALONG THE SOUTH SECTION LINE, 1321.14 FEET TO THE SOUTH 1/4 CORNER OF SECTION 30; THENCE N00°59'47"E, ALONG THE 1/4 SECTION LINE, 2636.98 FEET TO THE CENTER QUARTER CORNER OF SECTION 30; THENCE S88°55'00"E, ALONG THE 1/4 SECTION LINE, 1321.47 FEET TO THE 1/16TH CORNER; THENCE N00°58'28"E, ALONG THE NORTH-SOUTH 1/16TH LINE, 2640.21 FEET TO THE 1/16TH CORNER ON THE SOUTH SECTION LINE OF SECTION 19; THENCE N01°01'32"E, ALONG THE NORTH-SOUTH 1/16TH LINE, 2637.48 FEET TO THE 1/16TH CORNER IN SECTION 19; THENCE S88°58'31"E, ALONG THE 1/4 SECTION LINE, 329.89 FEET; THENCE N01°01'40"E 329.70 FEET; THENCE N88°58'43"W 329.86 FEET TO THE NORTH-SOUTH 1/16TH LINE; THENCE N01°01'53"E, ALONG THE 1/16TH LINE, 989.05 FEET TO THE 1/16TH CORNER; THENCE S88°59'18"E, ALONG THE EAST-WEST 1/16TH LINE, 659.61 FEET; THENCE N01°01'27"E 659.45 FEET; THENCE N88°59'42"W 989.29 FEET; THENCE S01°02'06"W 659.33 FEET TO THE EAST-WEST 1/16TH LINE; THENCE N88°59'18"W, ALONG THE 1/4 SECTION LINE, 989.41 FEET TO THE 1/4 SECTION LINE; THENCE N01°02'44"E, ALONG THE 1/4 SECTION LINE, 1318.43 FEET TO THE NORTH QUARTER CORNER OF SECTION 19; THENCE S89°00'06"E, ALONG THE NORTH SECTION LINE OF SECTION 19, 2637.77 FEET TO THE COMMON CORNER OF SECTION 17, 18, 19, 20 (NORTHEAST CORNER OF SECTION 19); THENCE S88°57'52"E, ALONG THE NORTH SECTION LINE OF SECTION 20, 1316.43 FEET TO THE 1/16TH CORNER; THENCE S01°01'06"W, ALONG THE 1/16TH LINE, 2639.62 FEET; THENCE S01°00'58"W, ALONG THE 1/16TH LINE, 1319.92 FEET TO THE 1/16TH CORNER; THENCE S88°51'19"E, ALONG THE 1/16TH LINE, 1316.11 FEET TO THE 1/4 SECTION LINE OF SECTION 20; THENCE S01°01'38"W, ALONG THE 1/4 SECTION LINE, 1320.77 FEET TO THE SOUTH 1/4 CORNER OF SECTION 20, ALSO THE NORTH 1/4 CORNER OF SECTION 29; THENCE S00°55'44"W, ALONG THE 1/4 SECTION LINE IN SECTION 29, 1318.21 FEET TO THE 1/16TH CORNER; THENCE S88°52'39"E, ALONG THE 1/16TH LINE, 2638.18 FEET TO THE EAST SECTION LINE; THENCE S00°39'45"W, ALONG THE EAST SECTION LINE, 1315.42 FEET TO THE EAST 1/4 CORNER; THENCE N88°55'38"W, ALONG THE 1/4 SECTION LINE, 2644.29 FEET TO THE NORTH-SOUTH 1/16TH LINE; THENCE S0°55'44"W, ALONG THE 1/16TH LINE, 1318.48 FEET TO THE WEST-EAST 1/16TH LINE; THENCE N88°55'47"W, ALONG THE 1/16TH LINE, 1317.36 FEET TO THE NORTH-SOUTH 1/16TH LINE; THENCE S0°58'12"W, ALONG SAID 1/16TH LINE, 1318.53 FEET TO THE SOUTH SECTION LINE OF SECTION 29, THENCE N88°56'37"W, ALONG THE SOUTH SECTION LINE, 1318.30 FEET TO THE POINT OF BEGINNING. AREA IS 1,020.45 ACRES. LESS 91.24 ACRES FOR THE SR-7 HIGHWAY AND LESS 5.63 ACRES FOR COPPER ROCK PARKWAY AND 2100 WEST ROAD.

CONTAINING 923.58 ACRES.

## CALYPSO RIDGE H-3-2-32-321 LEGAL DESCRIPTION

BEGINNING AT A POINT N88°59'25"W, 62.00 FEET FROM THE SOUTH 1/4 CORNER OF SECTION 32, T42S, R13W, SLB&M, RUNNING THENCE N88°59'25", 1434.44 FEET ALONG THE SECTION LINE; N1°06'01"E, 760.52 FEET; THENCE S88°59'25"E, 1432.96 FEET, THENCE S0°59'20"W, 760.52 FEET TO THE POINT OF BEGINNING.

AREA CONTAINS 1,090,306.8 SQUARE FEET OR 25.03 ACRES.

## CALYPSO RIDGE H-3-2-32-330 LEGAL DESCRIPTION

BEGINNING AT THE SOUTHWEST CORNER OF SECTION 32, T42S, R13W, SLB&M, RUNNING THENCE N1°08'24"E, 760.52 FEET ALONG THE SECTION LINE, THENCE S88°59'25"E, 1143.20 FEET; THENCE S1°06'01"W 760.52 FEET TO A POINT ON THE SOUTH LINE OF SECTION 32; THENCE N88°59'25"W, 1143.73 FEET ALONG THE SECTION LINE TO THE POINT OF BEGINNING.

AREA CONTAINS 869,626.92 SQUARE FEET OR 19.964 ACRES.

## CALYPSO RIDGE H-3-2-32-320 LEGAL DESCRIPTION

BEGINNING AT A POINT S1°08'24"W, 1083.52 FEET ALONG THE SECTION LINE FROM THE WEST 1/4 CORNER OF SECTION 32, T42S, R13W, SLB&M, RUNNING THENCE S88°59'25"E, 2574.03 FEET; THENCE S0°59'20"W 806.87 FEET; THENCE N88°59'25"W, 2576.16 FEET TO A POINT ON THE WEST LINE OF SECTION 32; THENCE N1°08'24"E, 806.87 FEET TO THE POINT OF THE BEGINNING.

AREA CONTAINS 2,409,010.99 SQUARE FEET OR 55.68 ACRES.

## CALYPSO RIDGE H-3-2-32-310 LEGAL DESCRIPTION

BEGINNING AT A POINT S1°08'24"W, 135.16 FEET ALONG THE SECTION LINE FROM THE WEST 1/4 CORNER OF SECTION 32, T42S, R13W, SLB&M, RUNNING THENCE S88°44'22"E, 2571.55 FEET; THENCE S0°59'20"W, 937.11 FEET; THENCE N88°59'25"W, 2574.03 FEET TO A POINT ON THE WEST LINE OF SECTION 32; THENCE N1°08'24"E, 948.38 FEET ALONG THE SECTION LINE TO THE POINT OF THE BEGINNING.

AREA CONTAINS 2,409,010.99 SQUARE FEET OR 55.68 ACRES.

## BENCH LAKE H-3345 LEGAL DESCRIPTION

ALL 1/2 SW 1/4 NW 1/4 SEC 16 T42S R13W SLM

CONTAINING 20.0 ACRES

## BENCH LAKE H-3346 LEGAL DESCRIPTION

NORTH 1/2 NORTH 1/2 NORTHWEST 1/4 SOUTHWEST 1/4; SOUTH 1/2 SOUTHWEST 1/4 NORTHWEST 1/4 SECTION 16 TOWNSHIP 42 SOUTH RANGE 13 WEST SALT LAKE MERIDIAN

CONTAINING 30.0 ACRES

## JOHN CASSINAT H-3347-A LEGAL DESCRIPTION

THE SOUTH 3/4 OF THE NORTHWEST QUARTER OF THE SOUTHWEST (S3/4 NW1/4 SW1/4) OF SECTION 16, TOWNSHIP 42 SOUTH, RANGE 13 WEST, SALT LAKE BASE AND MERIDIAN.

CONTAINING 30.0 ACRES

REVISIONS	
NO	DESCRIPTION

**PROVALUE ENGINEERING, INC.**  
 Engineers - Land Surveyors - Land Planners  
 20 South 850 West, Suite 1  
 Hurricane City, Utah 84043  
 Phone: (435) 688-0801



P.I.D. PARTICIPANT LEGAL DESCRIPTIONS FOR:  
**BENCH LAKE ANNEXATION BOUNDARY**  
 LOCATED IN SECTION 32, T42S, R13W, S.L.B.&M.

DATE: 3-1-2022  
 SCALE: N/A  
 JOB NO:  
 689-001  
 SHEET NO:  
**5 OF 5**

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 689-001

BENCH LAKE PID ANNEXATION AREA LEGAL DESCRIPTION

BEGINNING AT THE SOUTH QUARTER CORNER OF SECTION 30, TOWNSHIP 42 SOUTH, RANGE 13 WEST, SALT LAKE BASE AND MERIDIAN;  
THENCE N00°59'39"E ALONG THE QUARTER SECTION LINE, 2638.58 FEET;  
THENCE S88°53'37"E ALONG THE QUARTER SECTION LINE, 1319.53 FEET;  
THENCE N00°59'56"E ALONG THE SIXTEENTH SECTION LINE, 2638.18 FEET;  
THENCE N01°00'48"E ALONG THE SIXTEENTH SECTION LINE, 2638.00 FEET;  
THENCE S89°15'50"E 330.11 FEET; THENCE N01°01'40"E 329.70 FEET;  
THENCE N88°58'43"W 329.86 FEET; THENCE N01°01'10"E ALONG THE SIXTEENTH SECTION LINE, 987.99 FEET;  
THENCE S89°04'52"E 659.81 FEET; THENCE N01°02'54"E 657.94 FEET; THENCE N88°54'27"W 989.57 FEET;  
THENCE S01°02'06"W 659.33 FEET; THENCE N89°02'02"W 988.36 FEET;  
THENCE N01°00'00"E ALONG THE QUARTER SECTION LINE, 1319.22 FEET TO THE NORTH QUARTER CORNER OF SECTION 19;  
THENCE S89°00'06"E ALONG THE NORTH SECTION LINE OF SECTION 19, 2637.77 FEET;  
THENCE N00°59'56"E 2642.84 FEET TO THE WEST QUARTER CORNER OF SECTION 17;  
THENCE N01°01'19"E ALONG THE QUARTER SECTION LINE, 2646.04 FEET TO THE NORTHWEST CORNER OF SECTION 17;  
THENCE S88°56'36"E ALONG THE NORTH SECTION LINE OF SECTION 17, 2639.07 FEET TO THE SOUTH QUARTER CORNER OF SECTION 8;  
THENCE N01°08'26"E ALONG THE QUARTER SECTION LINE, 2634.49 FEET;  
THENCE N01°08'26"E 2634.72 FEET; THENCE S88°47'28"E 1315.03 FEET;  
THENCE S88°57'16"E 1318.08 FEET; THENCE N01°02'56"E 1319.18 FEET;  
THENCE N88°54'37"W 1318.70 FEET; THENCE N01°01'11"E 4119.90 FEET;  
THENCE S88°54'25"E 1128.76 FEET; THENCE S71°09'29"E 622.23 FEET;  
THENCE S44°18'50"E 1111.15 FEET; THENCE S62°16'22"E 361.70 FEET;  
THENCE S00°18'28"W 1400.35 FEET; THENCE S40°52'03"E 126.17 FEET;  
THENCE N73°58'00"E 144.74 FEET; THENCE N88°38'16"E 50.44 FEET;  
THENCE N43°12'32"E 24.85 FEET; THENCE S77°30'29"E 59.49 FEET;  
THENCE N18°57'06"E 49.27 FEET; THENCE N42°54'09"E 144.20 FEET;  
THENCE S59°18'51"E 129.43 FEET; THENCE S88°14'22"E 112.98 FEET;  
THENCE S01°02'54"W 120.00 FEET; THENCE S88°55'27"E 89.38 FEET;  
THENCE S01°02'33"W 49.34 FEET; THENCE S88°41'45"E 329.07 FEET;  
THENCE S00°04'20"W 138.88 FEET; THENCE S89°01'52"E 2391.89 FEET;  
THENCE S01°15'26"W 563.89 FEET; THENCE N89°09'07"W 96.86 FEET;  
THENCE S00°26'38"W 755.54 FEET; THENCE N89°03'27"W 970.90 FEET;  
THENCE S00°54'20"W 1319.62 FEET; THENCE S89°17'18"E 1297.88 FEET;  
THENCE S01°07'43"W 2639.44 FEET; THENCE S00°38'44"W 1319.35 FEET;  
THENCE N89°03'18"W 2642.16 FEET; THENCE S01°01'27"W 1316.40 FEET;  
THENCE N88°57'54"W 1322.89 FEET;  
THENCE S01°04'38"W ALONG THE SIXTEENTH LINE, 2641.78 FEET;

THENCE S01°04'47"W ALONG THE SIXTEENTH LINE, 2642.03 FEET TO THE NORTH SECTION LINE OF SECTION 21;  
 THENCE S88°59'31"E ALONG THE NORTH SECTION LINE, 1319.05 FEET TO THE NORTH QUARTER CORNER OF SECTION 21;  
 THENCE S00°52'39"W ALONG THE QUARTER SECTION LINE, 2642.99 FEET;  
 THENCE S00°52'39"W ALONG THE QUARTER SECTION LINE, 1854.13 FEET;  
 THENCE S89°03'17"E 651.20 FEET; THENCE N67°32'58"E 719.36 FEET TO THE BOUNDARY LINE OF 1100 WEST STREET;  
 THENCE ALONG SAID BOUNDARY, SOUTHERLY ALONG THE ARC OF A 777.03 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT  
 (LONG CHORD BEARS: S01°38'47"E 225.81 FEET), CENTER POINT LIES S83°17'30"E THROUGH A CENTRAL ANGLE OF  
 16°42'34" A DISTANCE OF 226.61 FEET; THENCE S06°55'26"W 79.06 FEET;  
 THENCE ALONG THE BOUNDARY LINE OF HURRICANE CITY LIMITS THE FOLLOWING 50 (FIFTY) COURSES:  
 WESTERLY ALONG THE ARC OF A 867.74 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT  
 (LONG CHORD BEARS: S74°01'54"W 176.73 FEET), CENTER POINT LIES S10°07'24"E THROUGH A CENTRAL ANGLE OF  
 11°41'23" A DISTANCE OF 177.04 FEET; THENCE S67°43'07"W 88.69 FEET;  
 THENCE S05°49'49"W 293.40 FEET; THENCE S38°27'57"E 1605.65 FEET;  
 THENCE N59°19'35"E 220.30 FEET; THENCE S30°40'12"E 50.00 FEET;  
 THENCE S59°19'36"W 387.01 FEET; THENCE S01°09'10"W 662.01 FEET;  
 THENCE N88°52'02"W 174.68 FEET; THENCE S04°34'12"E 999.91 FEET;  
 THENCE N88°55'56"W 544.40 FEET; THENCE S01°06'55"W 1294.29 FEET;  
 THENCE N89°02'59"W 1314.41 FEET; THENCE S00°59'24"W 1344.50 FEET;  
 THENCE N88°56'46"W 1024.84 FEET; THENCE S13°20'01"W 1418.06 FEET;  
 THENCE S13°36'52"W 965.73 FEET; THENCE S00°29'25"W 322.11 FEET;  
 THENCE S89°02'20"E 883.29 FEET; THENCE N00°44'59"E 165.09 FEET;  
 THENCE S89°14'21"E 652.10 FEET; THENCE N01°03'34"E 1131.45 FEET;  
 THENCE S89°03'52"E 1283.66 FEET; THENCE S01°04'46"W 903.92 FEET;  
 THENCE S88°56'08"E 925.91 FEET; THENCE S62°32'21"E 92.88 FEET;  
 THENCE N28°23'08"E 749.41 FEET TO THE EAST SECTION LINE OF SECTION 33;  
 THENCE S01°02'35"W ALONG THE EAST SECTION LINE, 1008.75 FEET;  
 THENCE S01°02'35"W ALONG THE EAST SECTION LINE, 2641.06 FEET TO THE SOUTHEAST CORNER OF SECTION 33;  
 THENCE N89°03'44"W ALONG THE SOUTH SECTION LINE OF SECTION 33, 1977.18 FEET;  
 THENCE S00°35'14"W 640.63 FEET; THENCE N89°59'21"W 674.29 FEET;  
 THENCE S00°21'51"W 680.07 FEET; THENCE N89°08'18"W 641.92 FEET;  
 THENCE S00°18'23"W 309.88 FEET; THENCE N88°43'13"W 670.71 FEET;  
 THENCE S01°46'31"W 995.60 FEET; THENCE N88°41'06"W 653.96 FEET;  
 THENCE S00°36'32"W 641.91 FEET; THENCE N89°25'30"W 340.95 FEET;  
 THENCE S00°31'00"W 639.64 FEET; THENCE N88°42'54"W 331.07 FEET;  
 THENCE N01°05'58"E 3911.16 FEET TO THE SOUTHEAST CORNER OF SECTION 32;  
 THENCE N88°49'06"W ALONG THE SOUTH SECTION LINE, FEET, 2635.09 FEET;

THENCE N88°49'06"W ALONG THE SOUTH SECTION LINE, FEET, 2635.08 FEET TO THE SOUTHWEST CORNER OF SECTION 32;  
THENCE N00°54'56"E ALONG THE WEST SECTION LINE, 2650.91 FEET TO THE WEST QUARTER CORNER OF SECTION 32;  
THENCE N00°54'56"E ALONG THE WEST SECTION LINE, 1312.19 FEET;  
THENCE N88°57'41"W 1322.27 FEET; THENCE N00°57'57"E 1313.39 FEET TO THE SOUTH SECTION LINE OF SECTION 30;  
THENCE N88°53'33"W ALONG THE SOUTH SECTION LINE, FEET, 1321.14 FEET TO THE POINT OF BEGINNING.  
AREA CONTAINS 220,312,481 SQUARE FEET OR 5,057.679 ACRES.

## EXHIBIT B

### Pre-Requisite Improvements Estimate Details

<b>BENCH LAKE MESA PID WATER, POWER, ROAD ESTIMATES</b>					
<b>Date: 15-Mar-22</b>					
ACREAGE= 5058 ACRES					
BENCH LAKE					
PUBLIC IMPROVEMENT DISTRICT					
TOTAL ESTIMATE					
ITEM No.	ITEM DESCRIPTION	UNIT PRICE Dollars & Cents	QUANTITY	UNITS	ITEM PRICE Dollars & Cents
<b>P.I.D. ITEMS</b>					
1	CULINARY WATER TANK (8 MILLION GALLONS)	\$ 12,000,000.00	1	LS	\$ 12,000,000.00
2	CULINARY WATER WELL	\$ 3,000,000.00	1	LS	\$ 3,000,000.00
3	POWER TO WELL	\$ 1,000,000.00	1	LS	\$ 1,000,000.00
4	MASTER PLANNED ROAD W/ 14" & 18" WATER MAINS	\$ 1,000.00	49,283	LF	\$ 49,283,000.00
5	MASTER PLANNED TRAIL (12 FOOT) AND SIDWALK	\$ 100.00	49,283	LF	\$ 4,928,300.00
<b>TOTAL of P.I.D. ITEMS (Items 1 thru 54) =</b>					<b>\$ 70,211,300.00</b>
S.H. MESA TOTAL		<b>\$ 70,211,300.00</b>			
ENGINEERING, CONST MGMT, AND TESTING		\$ 7,021,130.00			
CONTINGENCY		\$ 7,021,130.00			
<b>GRAND TOTAL</b>		<b>\$ 84,253,560.00</b>			
<b>ITEMS INCLUDED IN THE MASTER PLANNED ROADS</b>			<b>ITEMS INCLUDED IN TRAILS</b>		
Includes 14" OR 18" water main, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.			Includes 12 foot paved trail and 5 foot sidewalks		
<b>ITEMS INCLUDED IN THE WATER TANK</b>					
Includes excavation, (2) 4 million gallon concrete tanks, pipe, fittings and appurtenances.					
<b>ITEMS INCLUDED IN THE WATER WELL</b>					
Includes drilling, casing and equpping two wells at 500 to 1000 gallon per minute per well.					
<b>ITEMS INCLUDED IN THE POWER</b>					
Includes power poles, buried power conduits and energized power lines from 1300 South to new well location.					

SCOPE

**ITEMS INCLUDED IN THE MASTER PLANNED  
ROADS**

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Includes 14" OR 18" water main, sewer mains, power, excavation, base course, asphalt pavement, curb & gutter, sidewalks.

**ITEMS INCLUDED IN THE WATER TANK**

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Includes excavation, (2) 4 million gallon concrete tanks, pipe, fittings and appurtenances.

**ITEMS INCLUDED IN THE WATER WELL**

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Includes drilling, casing and equpping two wells at 500 to 1000 gallon per minute per well.

**ITEMS INCLUDED IN THE POWER**

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Includes power poles, buried power conduits and energized power lines from 1300 South to new well location.

**ITEMS INCLUDED IN TRAILS**

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Includes 12 foot paved trail and 5 foot sidewalks

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## EXHIBIT C

### INTERLOCAL AGREEMENT BETWEEN HURRICANE CITY, UTAH AND BENCH LAKE PUBLIC INFRASTRUCTURE DISTRICT

THIS AGREEMENT is made and entered into as of this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between HURRICANE CITY, a home-rule municipal corporation of the State of Utah (“City”), and BENCH LAKE PUBLIC INFRASTRUCTURE DISTRICT, a political subdivision of the State of Utah (the “District”). The City and the District are collectively referred to as the Parties.

#### RECITALS

WHEREAS, the District was organized to provide to exercise powers as are more specifically set forth in the District’s Governing Document approved by the City on March 3, 2022 (“Governing Document”); and

WHEREAS, the Governing Document makes reference to the execution of an Interlocal Agreement between the City and the District; and

WHEREAS, the City and the District have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Interlocal Agreement (“Agreement”).

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

#### COVENANTS AND AGREEMENTS

1. Operations and Maintenance. The District shall dedicate the Public Improvements (as defined in the Governing Document) to the City or other appropriate jurisdiction in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. The District shall be authorized, but not obligated, to own Public Improvements not otherwise required to be dedicated to the City or other public entity, and all necessary equipment and appurtenances incident thereto. Trails which are interconnected with a city or regional trail system shall be open to the public free of charge and on the same basis as residents and owners of taxable property within the District.

2. Improvements Limitation. Without written authorization of the City, the District shall not be authorized to finance the costs of any improvements or facilities which are to be ultimately owned by the District.

3. Construction Standards. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction, as applicable. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work. The District may satisfy any City requirements for guaranty of performance of infrastructure completion by delivering to the City documentation evidencing the funds available to the District for such infrastructure as a result of the bonds issued by the District.

4. Issuance of Privately Placed Debt. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of a Municipal Advisor substantially as follows:

We are [I am] a Municipal Advisor within the meaning of the District's Governing Document.

We [I] certify that (1) the net effective interest rate to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

5. Inclusion Limitation. The District shall not include within any of their boundaries any property outside the District Area without the prior written consent of the City. By the Governing Document, the City has consented to the annexation or withdrawal of any area within the Annexation Area into or from the District Boundaries. The District shall not include within any of its boundaries any property inside the inclusion area boundaries without the prior written consent of the City except upon petition of the surface property owners of 100 percent of such property and/or 100 percent of registered voters within the area to be included, as applicable, as provided in Section 17D-4-201(3), Utah Code.

6. Overlap Limitation. It is anticipated that the District may overlap with one or more of the Sand Hollow Mesa Public Improvement Districts ("SHMPIDs") approved by the City, given that the improvements proposed to be financed by the District shall also benefit the area of the SHMPIDs. Each of the SHMPIDs are forbidden from levying an aggregate mill levy in the overlap area which exceeds 0.0045, which is the Maximum Debt Mill Levy of the SHMPIDs. The aggregate mill levy imposed by the District and the SHMPIDs together shall not in any event be permitted to exceed the Maximum Debt Mill Levy of the SHMPIDs, on any property located within both the District and any of the SHMPIDs. The District shall not, without the prior authorization of the City Council, consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the District.

7. Initial Debt. On or before the effective date of approval by the City of an Approved Development Plan (as defined in the Governing Document), the District shall not: (a) issue any

Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any fees used for the purpose of repayment of Debt.

8. Total Debt Issuance. The District shall not issue Debt in excess of an aggregate amount of One Hundred Ten Million Dollars (\$110,000,000). This amount excludes any portion of bonds issued to refund a prior issuance of debt by any of the District. In the event two or more districts create an interlocal agency to issue debt, only the par amount issued by such agency shall count against the Total Debt Issuance Limitation rather than the individual amounts pledged by each district.

9. Bankruptcy. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17D-4-201(4), Utah Code. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and

(b) Are, together with all other requirements of Utah law, included in the “political or governmental powers” reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the “regulatory or electoral approval necessary under applicable nonbankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Governing Document and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Governing Document Amendment.

10. Dissolution. Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to State statutes.

11. Disclosure to Purchasers. Within thirty (30) days of the City adopting a resolution creating the District, the Board shall record a notice with the recorder of Washington County, Utah. Such notice shall (a) contain a description of the boundaries of the District, (b) state that a copy of this Governing Document is on file at the office of the City, (c) state that the District may finance and repay infrastructure and other improvements through the levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filed with the City.

In addition, the Applicant and the Board shall ensure that the Applicant, homebuilders, commercial developers, and commercial lessors, as applicable, disclose the following information to initial resident homeowners, renters, commercial property owners, and/or commercial tenants:

(a) All of the information in the first paragraph of 11 of this Agreement;

(b) A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“Under the maximum property tax rate of the District, **for every \$100,000 of taxable value**, there would be an **additional annual property tax of \$300** for the duration of the District’s Bonds.”

(c) Such disclosures shall be contained on a separate-colored page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.

12. Governing Document Amendment Requirement. Actions of the District which violate the limitations set forth in V.A.1-9 or VIII.B-G of the Governing Document shall be deemed to be material modifications to the Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

13. Annual Report. The District shall be responsible for submitting an annual report to the City Manager’s Office no later than 180 days following the closing of the District’s fiscal year, containing the information set forth in Section VIII of the Governing Document.

14. Regional Improvements. The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements.

15. Maximum Debt Mill Levy.

(a) The “Maximum Debt Mill Levy” shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Limited Tax Debt shall be 0.003 per dollar of taxable value of taxable property in the District; provided that such levy shall be subject to adjustment as provided in Section 17D-4-301(8). Such Maximum Debt Mill Levy may also be used to pay administrative expenses of the District.

(b) Such Maximum Debt Mill Levy may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202.

(c) Any other mill levy imposed by any other district with the authorization of the City shall not be applied toward the calculation of the Maximum Debt Mill Levy.

16. Maximum Debt Mill Levy Imposition Term. Each bond issued by the District shall mature within thirty-one (31) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding forty (40)

years from the first date of imposition of the mill levy for such bond (the “Maximum Debt Mill Levy Imposition Term”).

17. Annexation, or Pioneering Agreement in Lieu of Annexation. When, in the City’s reasonable judgment, a development application for a property within the District Annexation Area will require connection to or will rely upon the infrastructure financed by the District in order to receive development entitlements sought from the City, the applicant will be required to, as a condition of approval of such development entitlement, either (a) petition for annexation into the District, or (b) enter a pioneering agreement with the District such that the property owner shall reimburse the District for a proportionate share of the public infrastructure costs financed by the District. The City shall determine the proportionate share of costs to be reimbursed by the applicant under any pioneering agreement, and all such reimbursements paid to the District shall be applied toward outstanding bond obligations of the District.

18. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District:           Bench Lake Public Infrastructure District  
                                  c/o Snow Jensen & Reece, PC  
                                  912 West 1600 South, Ste. B200  
                                  St. George, UT 84770  
                                  Attn: Matthew J. Ence  
                                  Phone: (435) 628-3688

To the City:               Hurricane City  
                                  147 N 870 W  
                                  Hurricane, UT 84737  
                                  Attn: City Manager  
                                  Phone: (435) 635-2811

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

19. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Governing Document.

20. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent

of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

21. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys' fees.

22. Term. This Agreement shall terminate upon the earlier to occur of dissolution of the District or fifty (50) years from the date hereof.

23. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Utah.

24. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

25. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

26. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the City any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the City shall be for the sole and exclusive benefit of the District and the City.

27. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

28. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

29. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

30. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Governing Document.

**[SIGNATURE PAGE TO INTERLOCAL AGREEMENT]**

BENCH LAKE PUBLIC  
INFRASTRUCTURE DISTRICT

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

Attest:

\_\_\_\_\_  
Secretary

APPROVED AS TO FORM: \_\_\_\_\_

HURRICANE CITY, UTAH

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

Attest:

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

APPROVED AS TO FORM: \_\_\_\_\_

**RESOLUTION 2022-17**

**A RESOLUTION OF THE CITY COUNCIL OF HURRICANE, UTAH, APPROVING THE DESIGNATION AND APPOINTMENT OF A REPRESENTATIVE TO SERVE ON THE ADMINISTRATIVE CONTROL BOARD OF THE HURRICANE VALLEY FIRE SPECIAL SERVICE DISTRICT FOR THE CALENDAR YEAR 2022 AND FOR SUCH TIME THEREAFTER UNTIL A SUCCESSOR HAS BEEN DESIGNATED AND APPOINTED**

**WHEREAS** the Hurricane Valley Fire Special Service District was created by the Washington County Commission for the purpose of providing fire suppression and protection services for the residents of Hurricane, LaVerkin, Toquerville, Leeds, Virgin, Rockville and Springdale, Utah, as well as other unincorporated areas of Washington County, Utah; and

**WHEREAS** said District is governed by an Administrative Control Board made up of seven (7) members appointed by the member municipalities; and

**WHEREAS** Hurricane City desires to designate a person to serve on said Administrative Control Board as the representative for Hurricane City during the calendar year 2022 and for such time thereafter until a successor has been appointed; and

**WHEREAS** all legal requirements pertaining to the designation of said representative has been met; and

**WHEREAS** said Hurricane City Council deems it necessary and desirable for the preservation of the public health, safety and welfare,

**BE IT HEREBY RESOLVED** by the Hurricane City Council of Hurricane, Utah that Nanette Billings, mayor of Hurricane City, shall be, and is hereby, designated to serve as the representative for Hurricane City on the Administrative Control Board of Hurricane Valley Fire Special Service District for the calendar year 2022 and for such time thereafter until a successor has been designated and appointed.

DATED this 23<sup>rd</sup> day of March, 2022.

\_\_\_\_\_  
Nanette Billings, Mayor

Attest:

\_\_\_\_\_  
Cindy Beteag, City Recorder