**HURRICANE CITY**
**UTAH**

**Mayor**
Nanette Billings

**City Manager**
Kaden DeMille

**City Council**
*David Hirschi*
*Kevin Thomas*
*Clark Fawcett*
*Drew Ellerman*
*Joseph Prete*

# Hurricane City Council Meeting
# Agenda

June 20, 2024
5:00 PM
City Council Chambers 147 N 870 W, Hurricane

Notice is hereby given that the City Council will hold a Regular Meeting in the City Council Chambers 147 N 870 W, Hurricane, UT. Meeting Link on 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.
**THOSE WISHING TO SPEAK DURING PUBLIC FORUM MUST SIGN IN WITH THE RECORDER BY 6:00 P.M.**

---

**5:00 p.m. Pre-meeting**

1. Agenda Summary

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

Prayer

Thought

Pledge of Allegiance

Declaration of any conflicts of interest

Minutes of the Regular City Council Meeting for June 6, 2024

Update and Presentation from Ash Creek Special Service District - Mike Chandler

Update and Presentation from Southwest Mosquito Abatement District - Sean Amodt

Recognition of the Hurricane Bandits Baseball Team

Presentation from concerned residents regarding construction near Dixie Springs

**Public Forum – Comments from Public**

Please Note: In order to be considerate of everyone attending the meeting and to more closely follow the published agenda, public comments will be limited to 3 minutes per person per item. A spokesperson representing a group to summarize their concerns will be allowed 5 minutes to speak. Repetitious commentary will not be allowed. If you need additional time, please request agenda time with Cindy Beteag in writing before 5:00 p.m. the Wednesday one week before the Council meeting.

**NEW BUSINESS**

1. Consideration and possible award of **bid for the PEMB component of the four-court gym-** Kaden DeMille
2. CONSIDERATION OF ADOPTION OF RESOLUTION NO. 2024-29 - **A RESOLUTION OF THE CITY COUNCIL OF HURRICANE CITY, UTAH (THE "CITY"), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN $14,000,000 AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS**, SERIES 2024 (TO BE ISSUED IN ONE OR MORE SERIES AND WITH SUCH OTHER SERIES OR TITLE AS MAY BE DETERMINED) (THE "BONDS"); FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE CITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PROVIDING FOR THE POSTING OF A NOTICE OF PUBLIC HEARING AND A NOTICE OF BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD AND SETTING OF A PUBLIC HEARING DATE; AUTHORIZING AND APPROVING THE EXECUTION OF A THIRD SUPPLEMENTAL INDENTURE OF TRUST, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

**Meeting of the Hurricane Redevelopment Agency**

1. Consideration and possible approval of **Resolution 2024-28 confirming the closure of Project Areas 1 and 2 and ratifying the extension of Project Area 3.**

**New Business Continued**

1. Mayor, Council, and Staff reports
2. Closed Meeting held pursuant to Utah Code section 52-4-205, upon request

**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

**Agenda Summary for Hurricane City Council June 20, 2024**

**5:00 p.m. Pre-Meeting**

**6:00 p.m. Call to Order**

Minutes of the Regular City Meeting for June 6, 2024

Update and Presentation from Ash Creek Special Service District

Update and Presentation from Southwest Mosquito Abatement District

Recognition of the Hurricane Bandits Baseball Team

Presentation from concerned residents regarding construction near Dixie Springs

**New Business**

1. This agenda item relates to the 4 gym building. In order to finish construction drawings on the facility we find it necessary to engage with a metal building contractor in order to calculate final reaction loads and critical components of a metal building joining a stick-frame front. This is a critical path item for the 4 gym building. The apparent and only bidder of the metal building portion of the gym was Falcon Buildings, which is a local company (Washington). We understand the company to have a good reputation in the industry and locally. Their bid for the metal building component including the metal building, insulation, freight, stamped plans, running track and supports, and supports for basketball hoops came in at $792,459.72. I took a conservative approach on cost estimating this and used $1,050,000 as the cost for this portion of the 4 gym building. This bid is $257,540.28 less than my cost estimate, which is a good thing.
   Unless the bid does not conform in some way with the bidding process or any other valid reason that would invalidate this bid, I would recommend to the Council that a motion be made to approve the bid from Falcon Buildings in the amount of $792,459.72 for work related to the services described above. - Kaden DeMille

2. This agenda item relates to the secondary water system improvement project for the service area south of 400 S. Prior to issuing bonds for the secondary water system a parameters resolution is required to be approved by the city council which sets forth parameters within which the city will bond. These parameters include but are not limited to, critical elements such as calling for a public hearing, establishing an interest rate that will not be exceeded, and setting forth the maximum allowable debt the city is willing to approve.
   On December 5, 2023, the Board of Water Resources (BOWR) authorized a loan of $12,665,000 at an annual rate of 0% for 25 years to Hurricane City for the purpose of installing the secondary water system improvement project south of 400 S.

This resolution is required to continue the process of completing the financing for the system improvement project of which the BOWR will be the purchaser of the bonds. It would be the recommendation of staff for the council to approve the resolution if the council would like the project to move forward. If for any reason the council determines in the future that this project is not in the best interest of the city, the city council will have an additional opportunity to terminate the bonding process prior to incurring the debt. - Kaden DeMille

**Meeting of the Hurricane Redevelopment Agency**

1. The Hurricane City Council is the governing board of the Hurricane Redevelopment Agency, which is a form of a limited purpose local government entity. The Agency was created in the early 1990s to provide certain tax breaks and incentives to promote economic development within the City. The proposed resolution is a housekeeping item to clarify the status of the three different project areas created by the Agency. This clarification will assist the City and County Clerk/Auditor in administering the Agency. The proposed resolution clarifies that project areas 1 and 2 are closing this year, and project area 3 has been extended until 2027. -Dayton Hall

**New Business Continued**

1. Mayor, Council, and Staff reports.

2. Closed Meeting held pursuant to Utah Code section 52-4-205, upon request.

Minutes of the Hurricane City Council meeting held on June 6, 2024, in the Council Chambers at 147 North 870 West, Hurricane, Utah at 2:30 p.m.

**Members Present:** Mayor Nanette Billings and **Council Members**: David Hirschi, Kevin Thomas, Drew Ellerman, and Joseph Prete.

**Members Excused:** Clark Fawcett

**Also Present**: City Manager Kaden DeMille, City Attorney Dayton Hall, Police Chief Lynn Excell, Public Works Director Mike Vercimak, City Planner Gary Cupp, Assistant Planner Fred Resch III, Street Superintendent Weston Walker, Power Superintendent Scott Hughes, City Engineer Arthur LeBaron, Building Official Larry Palmer, HR Director Sel Lovell, Water Superintendent Ken Richins, and City Recorder Cindy Beteag.

**AGENDA**

**2:30 p.m. Combined Field Trip with the Planning Commission**

1. Tour of Zion Tiny Homes development in Apple Valley, Utah

Mayor, Council, Planning Commission, and staff went to Apple Valley, Utah to tour the Zion Tiny Homes development. They returned to the City Administration building around 4:00 p.m.

**5:00 p.m. Pre-meeting** - Discussion of Agenda Items, Department Reports

Dayton Hall mentioned an email that was received today concerning an allegation of negligence by the City, which was sent by an attorney. He advised the Council not to respond to the email, as he will handle any response. Mr. Hall noted that it is best for him to address any legal allegations against the City.

Mayor Billings thanked Fred Resch III for how he handled a complaint on 650 South. Mr. Resch III stated he spoke with the people who dumped in Confluence Park and it will be cleaned up soon.

Gary Cupp reported that routine ordinance updates are progressing and that work on some General Plan updates will begin in the new fiscal year. He mentioned that the Planning Commission remains busy and presented Chapter 5 of the General Plan, which focuses on the Economic Element. The goal is to create a resilient economy for the City, and he outlined the plan to achieve this. He attended the Southern Utah Task Force Meeting, where they discussed the idea of formulating a regional standardized code for the area. This proposal aims to have uniform standards while still allowing each city to tailor the code to their specific needs, benefiting builders by providing consistent standards across different locations. The main goal of this proposal is to demonstrate to the State Legislature that efforts are being made to address affordable housing. Drew Ellerman highlighted the importance of maintaining each city’s uniqueness and expressed concerns that having the same code for every city would make them indistinguishable. He suggested that streamlining affordable housing could be beneficial, but other areas should remain distinct.

Arthur LeBaron shared updates on several ongoing studies. One project with UDOT, the SR-9 Solutions Development Study, has had a few meetings and will soon hold a stakeholder meeting. Another study, Safe Streets for All, is examining a high injury network, including two segments of SR-9. By 2050, they aim to find solutions to accommodate more traffic on SR-9. The Northern Corridor study is also in progress, and public comments are still being accepted. He emphasized the importance of this effort and noted that the City needs to submit a substantial letter as no traffic study was provided. Additionally, the pipeline project on Quail Lake Road has been completed up to the north end of the park. However, after the 4th of July, work will begin on the Hurricane side, resulting in a complete road closure for a few months.

Weston Walker provided an update on their activities, mentioning that they have been engaged in extensive weed spraying and mowing. He noted that the big sweeper has been out of service for a couple of weeks and, despite efforts to repair it today, additional parts are still needed. A new hire started on Monday. He will try to introduce him to the Council soon. They are also continuing efforts to clean up tumbleweeds.

Mike Vercimak shared that the staff is excited about getting Jellystone open and a small development in the south that took three years to get started. They recently purchased a small broom truck off auction for the airport, which runs and works well. He noted that this will be a great benefit for them, especially since it also has a small blade on the front if needed.

Sel Lovell announced that tomorrow is the employee corn hole tournament. Departments will remain open, and the Council is invited to join them for lunch and watch the championship. He noted that this event is a great morale builder. Additionally, the health challenge for June is to encourage employees to drink more water, with a collective goal of reaching 1,000 gallons as a group.

Chief Excell mentioned that tomorrow is National Doughnut Day and they are hosting "Coffee with a Cop" at the Community Center from 8-10 a.m., with doughnuts provided. He stated that tomorrow is Dan Raddatz's last day working for the City, noting that his departure leaves big shoes to fill. Chief Excell warned that frauds are increasing in the community, with credit card fraud being the most prevalent, and advised residents to monitor their bank accounts closely. He also highlighted that Red Rock Media produced twenty-two public service announcements for the 4th of July Firework show, which will be a tribute to first responders. He praised their excellent work on the show.

Larry Palmer reported that since the last Council meeting fifteen single family, ten townhomes, and three industrial buildings have been submitted. He did the final inspection for the Food Pantry building today and they are good to open.

Ken Richins provided updates on the irrigation expansion project, noting that it has been advertised, with a mandatory pre-bid meeting scheduled for June 18th and the bid opening on June 27th. Additionally, the settling pond portion of the project will be advertised on June 16th, with the bid opening set for July 11th. He mentioned ongoing activities with test wells, highlighting challenges faced at Sky Ranch due to hard ground and a deep static water level. The Gould's Wash Well was completed, but tests revealed hard water; efforts are underway to test it at different elevations to improve water quality.

Scott Hughes stated the testing at Three Falls was completed today and load was placed on it yesterday. Due to increased demand, emergency switching procedures were implemented to manage the load. Despite it being June, peak loads usually seen in July and August were already reached. Natural gas and power prices have risen significantly, prompting all generators to be operational. The Council will receive an email regarding the UAMPS conference in August, scheduled to be held in Midway. David Hirschi stated he has received requests to move bleachers from the old rodeo ground to the new Equestrian Park for the Peach Days Rodeo, There are also requests from the School District for the bleachers. Council will need to have further discussions on the expenses involved in moving them for both Peach Days and the school, as well as for the new skate park. Mr. Hughes will assess the feasibility of moving the bleachers.

Cindy Beteag mentioned an email from the lobbyist in Salt Lake City. She has also called her a few times to see if the Council would meet with them. Mayor Billings has reached out to her multiple times and provided available dates. She will try contacting her again.

David Hirschi brought up an incident that occurred earlier in the day involving inmates taking a break at the splash pad in the park, which prompted a complaint from a citizen. He promptly contacted Chief Excell, and the group was relocated to another area of the park. Chief Excell agreed that it would be wise to establish rules prohibiting inmates from being at the splash pad during lunchtime. He acknowledged that it was an oversight by the superintendent and assured that measures would be taken to prevent it from happening again. Additionally, Mr. Hirschi expressed concern about the presence of dogs in parks and suggested increasing signage to ensure people are aware of the rules.

**6:00 p.m.** - **Call to Order** –

**Prayer, Thought, and Pledge led by David Hirschi.**

Mayor Billings provided an update on the fundraising efforts for Veterans Memorial Park. She mentioned a successful and enjoyable event held last night. A general contractor has agreed to donate their time, along with three electricians, four plumbers, and several other contractors who are willing to contribute materials and services such as concrete, landscaping, monuments, and trusses. She expressed her gratitude to the community for their generous support in raising funds.
Mayor Billings took the Quilt Guild and Recognition of Trig-Star winners out of order and addressed them next. These minutes are in the order of the agenda instead of the order they were addressed by the Council.

**Declaration of any conflicts of interest**

None declared.

**Minutes of the Regular City Council Meeting for April 4, 2024, May 2, 2024, May 16, 2024, and special meeting May 7, 2024.**

David Hirschi motioned to approve all minutes as written. Seconded by Kevin Thomas. Motion carried unanimously.

**Award to the HHS Trig-Star Winners, Corban Beutler, Elijah Patterson, and Davis Henderson, at State Competition**

Arthur LeBaron explained that the Hurricane High School Math Department invites him to discuss engineering and surveying each year. He also promotes the Trig-Star contest to them. This contest offers local and state prizes, with state winners advancing to compete nationally. Hurricane High School achieved an impressive feat by securing first, second, and third places at the state level. The average score was 61 points among all winners. However, each of the school's representatives scored over 90 points, showcasing their exceptional performance. He commended their courage in participating in such a challenging test and congratulated them for their outstanding achievements. He also noted Corban Beutler's participation in the national-level test, which he completed successfully.

**Zion Piecemakers Quilt Guild - Donation Quilt for Shop with a Cop Program. Presentation of quilt for Rec to collect funds for raffle. A second quilt is donated by Anita Lowe Eaton for the Veterans Memorial Park fundraiser**

Anita Lowe Eaton introduced herself as the president of the Quilt Guild, emphasizing her strong ties to Hurricane despite not being a native. She shared that the Guild, established over two decades ago, aims to promote the art of quilting through education and charitable endeavors. Ms. Eaton showcased a quilt she is donating as a fundraiser for the park. Additionally, she mentioned their annual quilt show during Peach Days, which serves as another fundraiser for their initiatives. She presented a second quilt to Chief Excell and Tiffani Wright for the Shop with Cop fundraiser and extended an open invitation for anyone interested to join the Guild.

**Public Forum – Comments From Public**

Bruce Jensen, an avid pickleball player, addressed several issues regarding the current pickleball courts and proposed solutions for improvement. He noted a recent survey that offered limited options—either removing trees or installing sports courts—criticizing the durability issues associated with plastic courts. He emphasized the importance of preserving the existing trees while advocating for upgrading to post-tension courts to enhance safety. He highlighted a recent incident where a woman tripped on uneven ground, resulting in a broken hip, underscoring the need for better court conditions. He expressed his belief in the growing popularity of pickleball and the insufficient capacity of the current courts, suggesting relocating them away from problematic areas and potentially expanding to meet increasing demand. He also raised concerns about court cleanliness and suggested more frequent maintenance as essential improvements.

Mayor Billings clarified that the current challenge revolves around funding. Kaden DeMille explained that there is currently $334,000 allocated in the budget for this project, but it falls short of what's needed for post-tension concrete. The Council still needs to finalize the general plan for this area and decide on the optimal location for the courts. He mentioned that bids for the four-court gym will be issued next week, which will provide a clearer picture of the remaining funds available for other projects.

John Bramall and Fred Hernandez addressed the council on behalf of the veterans at the cemetery. They emphasized the importance of allocating funds in the budget for Wreaths Across America. Each wreath costs $17, and there are approximately 570 veterans, with another 40 veterans being verified. The American Legion has additional numbers that they are cross-checking. Fred Hernandez requested assistance with covering the costs of the wreaths. In response, Kaden DeMille informed them that there is currently $3,000 budgeted for the upcoming fiscal year.

**OLD BUSINESS**

1. **Consideration and possible approval of Ordinance 2024-06 amending Title 5, Chapter 2 and Title 10 Chapter 3, 7, 13, 14, 15, 16 and 34 Animal Control and residential and commercial kennel standards - Gary Cupp / Lynn Excell**

Gary Cupp reported that the staff had followed the Council's previous directive to examine the number of dogs allowed per density. After meetings and discussions among staff, they explored various options, taking into consideration enforcement perspectives from law enforcement officers. Staff concluded that implementing changes would overly complicate matters and potentially require involvement from other departments, making it cumbersome. Staff remains in favor of maintaining the allowance of four dogs per household, noting that most residents already comply with this limit without issues or concerns. Chief Excell added that in multifamily complexes, rules are typically enforced internally, resulting in minimal calls for service. He expressed confidence that the proposed ordinance has enforceable provisions to address any issues that may arise, highlighting the considerable effort put into its development. Dayton Hall noted that Hurricane City already permits residents to own up to four dogs per household through an established process. He expressed concern about potential legal issues if this allowance were reduced. Therefore, he advocated for maintaining the current policy of allowing up to four dogs per household, stating it as the most sensible approach.

Kevin Thomas motioned to approve Ordinance 2024-06 as presented. Seconded by Drew Ellerman. Motion carried unanimously.

**2. Consideration and possible approval of Ordinance 2024-08 increasing the Parks, Trails, and Recreation Impact Fee**

Mayor Billings read the following summary written by Dayton Hall that was provided in the packet: "On May 2, 2024, the Council adopted the Parks, Trails, and Recreation Master Plan. However, at that meeting, the Council declined to adopt a new impact fee based on the new plan. This agenda item is to consider the adoption of a new impact fee by ordinance. There was some confusion at the May 2, 2024, meeting regarding the current impact fee. Currently, the impact fee for parks and recreation is $3,109 per residential unit. Under the newly adopted plan, which now includes trails as well, the maximum allowable impact fee is $5,023.06 per equivalent residential connection, which is calculated based on the estimated costs of future improvements and the existing level of service. The Council needs to decide whether to adopt the full impact fee of $5,023.06 or some lesser amount."

Kevin Thomas expressed concern about the proposed increase, viewing it as placing a social program burden on individuals for the benefit of everyone. Mayor Billings noted the impact of new development on current residents, highlighting increased park usage without a corresponding rise in city employees over the years. She questioned whether parks fall under government responsibility and suggested funding expansions through development fees rather than taxes. David Hirschi, echoing Councilman Fawcett's viewpoint, acknowledged the need for an increase but voiced apprehension about its steepness. He argued that new growth should fund its impact without resorting to tax hikes. Dayton Hall explained that impact fee amounts must be justified based on calculated impacts. The consultants used water meter size to gauge impacts. Drew Ellerman stressed the fairness of impact fees across sectors and cautioned against falling behind without adjustments. Gary Cupp underscored parks' role in enhancing community life and supported staying current. Joseph Prete emphasized a proactive approach to improving Hurricane, valuing parks, beauty, and open spaces as crucial to community well-being.

Joby Venuti mentioned the trails donated to the City from his development, underscoring their importance. He suggested a revision to the standards for arterial roads: placing trails on one side and omitting sidewalks on the other, which would increase developer contributions. Mr. Prete stressed the importance of trail interconnectivity, noting that much of the trail funding comes from grants requiring city matching funds. Kaden DeMille mentioned the ongoing efforts to complete ball fields due to funding constraints and escalating costs. Mr. Hirschi asked about approving the impact fee at 50% of the recommended amount. Mr. DeMille clarified that a study had already been conducted, allowing for potential future increases based on need without requiring a new study unless exceeding the recommended amount.

David Hirschi made a motion to increase the parks, trails, and recreation impact fee by 50% which would make the total $4663.50 per equivalent residential connection. Seconded by

Joseph Prete. Motion carried with David Hirschi, Drew Ellerman, and Joseph Prete voting aye. Kevin Thomas voted nay.

**3. Consideration and possible approval of Ordinance 2024-07 amending Title 10, Chapters 11, 13, and 50 to add a new zoning classification R1-4, residential one unit per 4,000 square feet. Hurricane City, Applicant**

Mayor Billings read the following summary written by Dayton Hall that was provided in the packet: “This proposed new zone was discussed on May 2, 2024, and the item was continued. On May 2, 2024, the Council discussed concerns about the size of the lots that would be permitted in the proposed new zone. Staff also raised concerns regarding the front yard setback, including: (1) a minimum 20' setback is required to satisfy the National Electric Code where 'switches' are installed in the public utility easement, making the 15' setback inadequate; (2) a 20' setback in front of garages is inadequate to accommodate driveway parking, which will push pedestrians into the roadway and set up future residents to violate Hurricane City Code 7-1-6, which prohibits parking on sidewalks. It appears that a front yard setback of 20 feet for living areas and 25 feet for garages would resolve the setback concerns raised by the various departments. Councilman Thomas has met with the Planning Department to discuss some of the items raised in the May 2nd meeting. Staff is awaiting direction from the Council.”

Kevin Thomas recommended postponing the vote to allow a further review. He shared photos of a proposed subdivision with a 20-foot setback to the garage face, which he opposed. He suggested alternative ideas with a 25-foot setback and a minimum lot size of 4,000 square feet. He presented a floor plan based on this footprint, which he believes addresses the affordable housing issue, expressing concern that the middle class might disappear. However, he admitted uncertainty about potential unknown consequences. He also questioned whether the City could require enough space for two cars to park in the driveway and if they could mandate the amount of concrete used. Mayor Billings asked if the City could impose such requirements. Dayton Hall clarified that while the City cannot restrict house materials, it might explore regulating landscaping. Drew Ellerman noted they could set a minimum driveway width of 18 feet. He expressed excitement for what this zone could offer developers to provide something affordable. Gary Cupp stated that they had just received the drawings that morning and needed more time to review them.

Joby Venuti commented that the Canyons development lots, which are 35 x 70, are too small to fit a garage as they were designed for park models. He has a development that he wants to rezone to this proposed zone and suggested leaving flexibility for developers to lay out the lots. He mentioned that this size of house is what’s currently missing and that parking often becomes an issue, proposing 3 and 12-foot setbacks. Kevin Thomas added that setbacks on corner lots also need to be addressed. Joseph Prete inquired if this type of zoning has been implemented elsewhere in the state. Drew Ellerman confirmed that while he has seen 4,000 and 4,500 square foot lots, they are not common in Southern Utah. Mr. Venuti stated that there are such developments in Desert Canyons in St. George. Joseph Prete pointed out that PDO is very different from straight zoning and that anyone could request this zoning. Mr. Ellerman explained that five-foot setbacks are in line with building codes and suggested maintaining them. Mr. Thomas then showed a video of the proposed development site for this zoning change. Mr. Ellerman explained that the General Plan would need to be amended to allow for this, and they could limit where it is permitted. Mayor Billings suggested integrating the General Plan update with this zoning change.

Keivn Thomas motioned to continue Ordinance 2024-07 until August 15th. Seconded by David Hirschi. Motion carried unanimously.

Mayor Billings took new business 3 and 4 out of order and addressed them next. These minutes are in the order of the agenda instead of the order they were addressed by the Council.

**4. Discussion about our City Vision, Mission Statement, and Motto.**

Mayor Billings stated many cities have a motto, but if the Council doesn't feel like it is a priority, then they can table the discussion for future consideration. Joseph Prete proposed consolidating options to a concise four to seven-word motto that captures their vision. Kevin Thomas feels it is important to keep it short. David Hirschi expressed interest but hasn't found one that resonates yet. Drew Ellerman concurred. Mayor Billings suggested tabling the item until a suitable motto is proposed for further discussion.

**5. Consideration and possible approval of a mural at the Community Center - Youth City Council**

Mayor Billings introduced a proposal from the Youth City Council, which aims to include animals, plants, and native elements of Hurricane such as Desert Sage, Desert Tortoise, Brigham Tea, Gila Monster, and Mollies Nipple. Kevin Thomas asked if permitting the Youth City Council to paint a mural necessitates allowing other artists to also paint murals in town, or if the City Council can selectively decide which murals are allowed and their locations. Dayton Hall feels that the risk is minimal. The City has the right to express itself under the First Amendment. While there could be an argument against selective approval, it does potentially open the City to such claims. Joseph Prete stated quality control is important. He suggested having the high school art teacher oversee it. Mayor Billings suggested having the Recreation Director oversee it. David Hirschi wants to see a rendering first of what it will exactly look like.

Kevin Thomas motioned to approve the mural subject to the Youth putting their name at bottom of it. Mr. Prete noted the importance of quality control and establishing a clear timeline. Dayton Hall proposed that the authorization to paint the mural be limited to a one-time painting under the supervision of the Recreation Director. Kevin Thomas mentioned

Melanie Wright who is a local artist that may oversee and help with the mural. Seconded by Drew Ellerman. Mr. Prete stated they have to look out for the whole community not just the Youth City Council. It will be offensive to the Youth Council if they take it down. Mr. Thomas amended his motion to approve a onetime mural at the Community Center based on the image provided in the packet. The Youth City Council must seek guidance from a local artist to oversee the work and it has to be done by Peach Days. Seconded by Drew Ellerman. Motion carried with David Hirschi, Kevin Thomas, and Drew Ellerman voting aye. Joseph Prete voted nay.

**NEW BUSINESS**

1. **Consideration and possible approval of the assignment of the airport lease for the hangar pad at 5 South from Richard L. Frost to Ray Schureman. -Dave Houston/Mike Vercimak**

Mayor Billings read the following summary written by Dayton Hall that was provided in the packet. "This agenda item is to consider approving the assignment of a hangar lease to a new tenant. The current tenant is Richard L. Frost, who holds a Hurricane Airport Land Lease for the hangar located at 5 South in the City Airport. The lease is dated September 1, 2018, and provides that the 'Lessee shall not at any time assign its rights under this agreement or any part thereof without the prior written approval of the Lessor...' The lease also states that: 'In the event of a sale by the Lessee, the Lessor agrees to extend to the purchaser the terms and provisions of the unused years of the original lease, or the new Lessee may negotiate a new twenty year lease.' The lease is for a 'private aircraft hangar.' Mr. Frost desires to assign the remaining term of the lease to Ray Schureman, who desires to assume the lease. The Airport Board met on May 21, 2024, and recommended unanimously to approve the assignment of the lease to Mr. Schureman. The lease to be assigned to Mr. Schureman is included in the Council's packet."

Dave Houston mentioned that there is a standalone T-hangar at the location, with the lease extending until 2038. The original 20-year lease was signed in 2018. Mayor Billings inquired whether the lease terms would change based on the new rates. Dayton Hall clarified that the rates remain unchanged because it is an existing lease approved by the City Council in 2018, with a rate schedule that gradually increases over time according to the terms agreed upon in the original contract. The lease extension involves a new lessee taking over the existing lease.

Kevin Thomas motioned to approve the assignment of airport lease for the hangar pad at 5 South. Seconded by David Hirschi. Motion carried unanimously.

2. **Presentation of survey results on the City Civic Master Plan by FFKR and Desert Edge-David, Jessica, Susie, and Scott Gilbert**

David Giles provided an update on the progress of their work. They are finalizing their efforts after meeting with various city departments to understand their space needs. Public outreach results have been incorporated into their documentation. They are consulting with a local commercial broker on sustainable additional uses for the property, such as commercial, retail, offices, hospitality, and housing. A funding analysis has begun with assistance from Susie Becker of Zions Bank, focusing on capital investment paths to minimize costs outside of the tax base. Discussions with local construction firm Jacobson Construction are ongoing to establish an overall construction budget by the end of next week. Mr. Giles emphasized the need to integrate all gathered information into a comprehensive masterplan for the property.

Abram Nielsen discussed their recent efforts focused on conceptual planning for a development project situated away from the main strip but surrounded by existing residential areas and varying topography. They explored multiple iterations—approximately 12 versions—aiming to define the layout in terms of square footage, massing, and the integration of different uses such as civic, retail, commercial, housing, and mixed-use. The process involved horizontal and vertical integration to optimize space utilization. Despite numerous tests, they have narrowed down to a few conceptual options that they are considering for further development. He explained the color-coded plan, highlighting commercial and retail areas in red and pink, civic uses in purple (like police stations and city hall), and residential areas in orange and yellow for single-family and multifamily housing. The design aims for a highly walkable community feel, emphasizing a central, well-lit intersection for access and a welcoming arrival experience. Cost considerations prioritize surface parking for now, with plans for future expansion and flexibility as the community grows. Three design options were considered, with a preference for one that best integrates these principles and aesthetics. Mr. Nielsen explained the decision to retain the existing administration building due to its structural integrity and cost-effectiveness rather than demolishing it. The plan includes repurposing this building for courts, alongside a proposed police station highlighted in darker purple. Leveraging the natural slope of the terrain, they aim to integrate the building harmoniously into the hillside, providing both upper and lower access points. This approach facilitates connectivity with the future City Hall located centrally, optimizing the site's functionality. The design also ensures a clear separation between public and private areas, accommodating secure facilities like Sally ports and emergency vehicle access while maintaining public accessibility on the other side. Mr. Nielsen mentioned the opportunity to utilize the slope of the hillside for an amphitheater, allowing for concerts and large events. This could be part of a linear park system connecting the entire east to west corridor of the development, fostering a walkable urban environment for residents. He discussed the possibility of incorporating historical elements like canal systems and water features into the park and open spaces to enhance the urban feel and context of the area.

Mayor Billings expressed a preference for having a road next to the single-family development to provide access to the park areas and desired better access to the administration building. Drew Ellerman favored Option 1 but suggested opening up the entrance between the commercial area and the admin building, noting that this would enhance the commercial space. Mr. Giles agreed, stating it would help liven up the commercial area and mentioned there are many tweaks they could introduce. David Hirschi liked the single housing with the cul-de-sac in the middle. The plan is to send a packet to the Council for feedback before starting the architectural design. Mr. Giles stated that Ms. Becker will have draft content to review, as she is experienced in funding such projects. They will return with all the information for the Council to explore. Kaden DeMille noted that staff preferred Option 1 and asked for Council feedback sooner rather than later, mentioning interest in the current police building. Joseph Prete inquired about the possibility of only having a city campus. Mr. DeMille questioned where the funding would come from to pay for it all, suggesting a bond for the remaining amount and emphasizing the need to keep costs down for citizens. They plan to present again at the second meeting in July.

Chief Excell mentioned that they are under significant time pressure and need to have everything cleared from the property to the west by August. He noted that access in and out from 700 West is coming through their property, emphasizing that time is of the essence.

3. **Consideration and possible approval of Resolution 2024-23 approving an increase in Hurricane City's billing rates for water usage-Ken Richins**

Mayor Billings read the following summary written by Ken Richins that was provided in the packet: “The Washington County Water Conservancy District is increasing its wholesale water rate by $0.13 per thousand gallons. Hurricane City buys a portion of the water it supplies to its residents from the District at the wholesale rate. This agenda item is to consider increasing Hurricane City's retail rate by $0.13 per thousand gallons to match the increase by the District. The Water Board discussed this item on May 28, 2024, and unanimously recommended that the City Council increase the City's rates by $0.13 per thousand gallons.”

Karry Rathje from the Washington County Water Conservancy District clarified for the record that the rate increase is a one-time fee of 13 cents per 1,000 gallons, in addition to the current charge of $1.64. The district will review its costs and rates again in January, providing municipalities with advance notice of any future rate increases. By January 2025, municipalities will be informed of anticipated rates for the 2025 year. Drew Ellerman explained, "To put it simply, if we don't raise the rate by 13 cents, the City will have to cover that cost, and ultimately, we're all part of the City, so it would have to come from somewhere else." Ken Richins added that the City currently buys 40% of its water from the District, but this percentage will decrease as more wells become active.

David Hirschi motioned to approve Resolution 2024-23 increasing the water rates. Seconded by Drew Ellerman. Motion carried unanimously by a roll call vote.

4. **Consideration and possible approval of Resolution 2024-27 Approving the Excess Water Use Surcharge Fees recommended by the Washington County Water Conservancy District.**

Mayor Billings read the following summary written by Dayton Hall that was provided in the packet. “This item is on the agenda at the request of the Council. In December of 2021 and December of 2022, the WCWCD Board passed resolutions authorizing a surcharge for water use over certain thresholds. The WCWCD requested that all cities and towns that were parties to the Regional Water Supply Agreement adopt the surcharge and pass those funds on to the WCWCD to be used for water conservation projects within the County. After much deliberation, the Hurricane City Council adopted its own variation of the WCWCD's surcharge, with the funds remaining within Hurricane City to be used for conservation. At a work meeting held with Zach Renstrom of the WCWCD on May 2, 2024, Mr. Renstrom requested that the City adopt the surcharge and pass the funds on to the WCWCD as other cities have done. The Council directed that this item be placed back on its agenda for further consideration. Because it deals with the City's water, the proposal was placed on the agenda for the City's Water Board. On May 28, 2024, the Water Board unanimously recommended that the City Council adopt the surcharge as requested by the WCWCD. The key differences between the City's current surcharge and the proposed surcharge are: (1) For new connections (post January 1, 2023), the surcharge for excess use will increase from $5 to $10; (2) for prior connections (pre-January 1, 2023), the threshold will be 36,000 gallons each month, instead of the bell curve approach currently adopted; and (3) the collected funds will be passed on to the WCWCD, with the city retaining 10% to cover administrative costs.”

Kevin Thomas questioned the consequences if Hurricane City doesn't pass the water rate resolution. David Hirschi highlighted concerns about the city appearing uncooperative. Karry Rathje detailed potential remedies under the regional water supply agreement, including contract renegotiation, reduced water delivery, or increased wholesale rates. She suggested consulting legal counsel for clarity. Joseph Prete distinguished between alleged remedies asserted by the Water District that would need to proven and the broader ramifications of the impacts on relationships and mutual cooperation. He questioned whether passing the resolution was necessary to comply with the terms of the regional water supply agreement. Mr. Thomas expressed skepticism about the rate increase, viewing it as a punitive measure for excessive water use. He pondered the long-term impact of water conservation efforts and the rationale behind the surcharge. Ms. Rathje clarified that the surcharge aims to manage rising costs and expand water capacity to support community growth, emphasizing collaboration with Hurricane City.

Ms. Rathje explained that the 36,000-gallon threshold applies to customers connected before December 31, 2022, at a rate of $1 per 1,000 gallons with no seasonal variations. The new excess water use surcharge of $10 per 1,000 gallons, implemented in January 2023, includes seasonal thresholds. This difference aims to be fair and equitable. The impact fee was reduced to allocate less water to new connections due to approved development plans, decreasing from 0.89 to 0.59 acre feet per year per residential connection. The state authorized this reduction because of the new surcharge, ensuring enough water supply. Mr. Ellerman added that the state’s actions necessitated these measures. Ken Richins added that newer homes are designed to use less water.

David Hirschi motioned to approve Resolution 2024-27 approving the excess water use surcharge fees recommended by the Washington County Water Conservancy District. Seconded by Drew Ellerman. Joseph Prete raised concerns about the implications of the water rate resolution, emphasizing the shift in control to the district. He sought clarification on what specific control aspects the city would relinquish by approving it. Mayor Billings responded that the funds collected from the resolution wouldn't remain within the city's control but would instead be utilized by the district for conservation efforts. Karry Rathje elaborated that the intention behind the resolution is to allocate funds towards increasing water system capacity, benefiting municipalities by supporting ongoing community growth. She noted that a portion of these funds has already been redistributed to municipalities to offset related fees. Dayton Hall explained that the central issue is how the funds collected from the surcharge will be managed. This resolution is presented to the council to authorize the district-recommended surcharge assessment. Motion carried unanimously by a roll call vote.

**5. Consideration and possible approval of the revocation of the business license for Rafa Academy LLC - Cindy Beteag**

Cindy Beteag explained that Rafa Academy LLC had been issued a business license with the condition that they provide their state license within 60 days, or the license would be revoked. After staff contacted them, Rafa Academy stated they are not moving forward. A new business license application has been received for a different business at the same location. Joseph Prete confirmed that Rafa Academy has no objections to the license revocation. Ms. Beteag clarified that since a license had been issued, they are now following the necessary process to revoke it. Dayton Hall noted that Rafa Academy was given notice and is not present at the meeting.

Joseph Prete motioned to revoke license for Rafa Academy LLC based on the owners were provided notice of the revocation hearing and they are not here.  Seconded Kevin Thomas. Motion carried unanimously.

**6. Mayor, Council, and Staff reports**

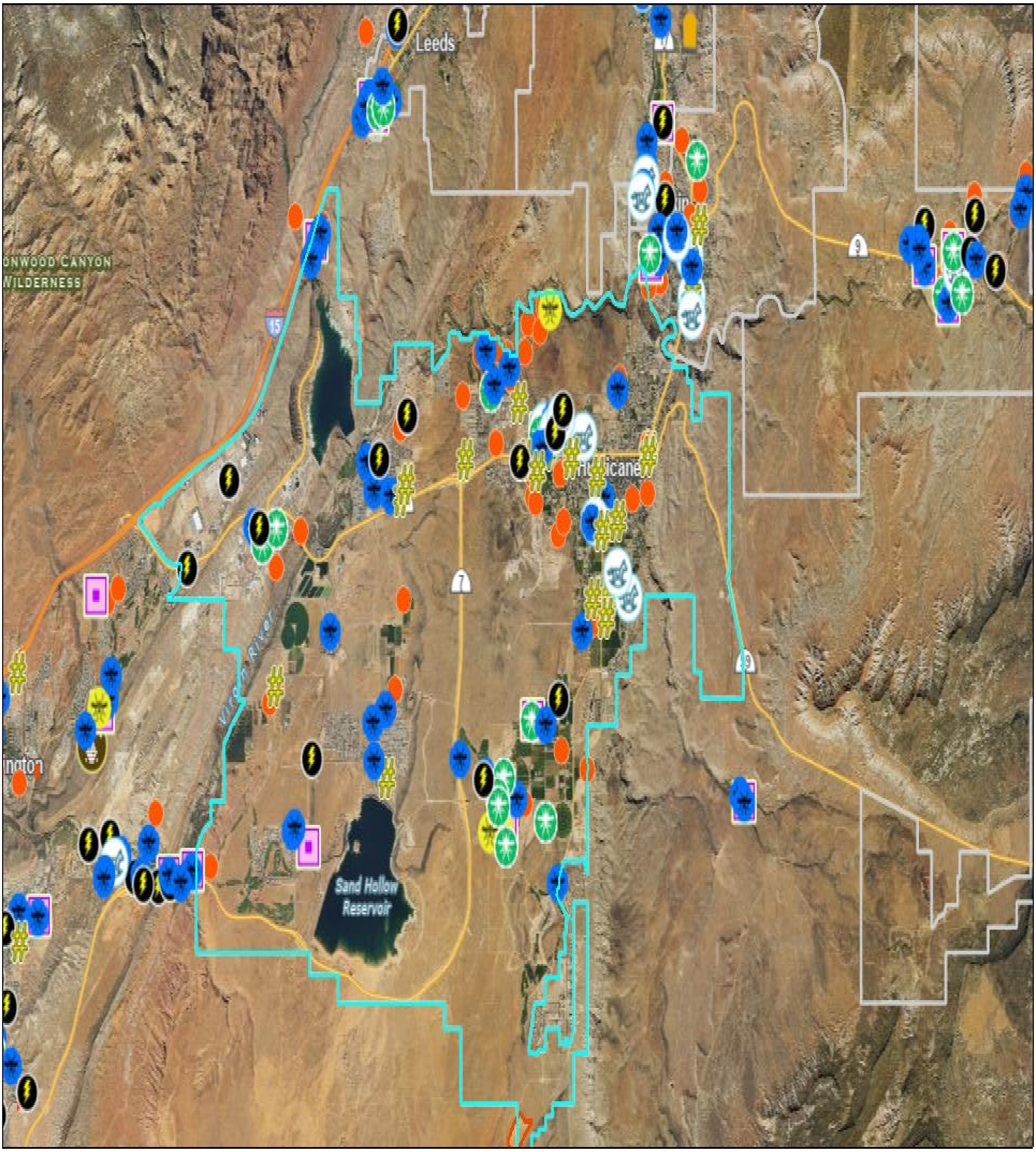
None.

**7. Closed Meeting held pursuant to Utah Code section 52-4-205, upon request**

David Hirschi motioned to go into a closed meeting to discuss a potential development agreement. Seconded by Kevin Thomas. Motion carried unanimously.

**Adjournment:** Drew Ellerman motioned to go out of closed meeting and adjourn the meeting at 9:54 p.m. Seconded by Daivd Hirschi. Motion carried unanimously.

# SWMACD Mosquito Map




6/17/2024, 12:14:40 PM

Treatment Sites

Heavy Rain

Priority

Non Priority

Regular Monitoring

Storm Drain

Trough

Non Active

Trapping Sites

Comment Points

Beaver Dam and Beehive Locations

Beehive

Comment Lines

Comment Areas

Municipalities

County Boundary

1:144,448

0 1 2 4 mi

0 1.5 3 6 km

Sunrise Cloud SMART GIS®

SWMACD

Sunrise Cloud SMART GIS®

HURRICANE CITY
UTAH

**STAFF COMMENTS**

Consideration and possible award of **bid for the PEMB component of the four-court gym-** Kaden DeMille

**Discussion:**
This agenda item relates to the 4 gym building. In order to finish construction drawings on the facility we find it necessary to engage with a metal building contractor in order to calculate final reaction loads and critical components of a metal building joining a stick-frame front. This is a critical path item for the 4 gym building. The apparent and only bidder of the metal building portion of the gym was Falcon Buildings, which is a local company (Washington). We understand the company to have a good reputation in the industry and locally. Their bid for the metal building component including the metal building, insulation, freight, stamped plans, running track and supports, and supports for basketball hoops came in at $792,459.72. I took a conservative approach on cost estimating this and used $1,050,000 as the cost for this portion of the 4 gym building. This bid is $257,540.28 less than my cost estimate, which is a good thing.
Unless the bid does not conform in some way with the bidding process or any other valid reason that would invalidate this bid, I would recommend to the Council that a motion be made to approve the bid from Falcon Buildings in the amount of $792,459.72 for work related to the services described above. - Kaden DeMille

**Findings:**

**Recommendation:**

**Attachments:**
1. Falcon Bid 6-12-24

**Quote Expiration Date: July 5, 2024**

Quote Date: June 12, 2024

Quote #: U1G-24114-R1

To be considered ordered, Falcon Buildings must have a *signed PO* and *deposit check* prior to expiration date.

**INCLUDED IN THIS QUOTE PRICE**

# SCOPE OF THIS BUILDING QUOTE

| YES: | NO: | ALT: | |
|---|---|---|---|
| ✓ | | | Metal Building Materials |
| ✓ | | | Stamped Engineered Plans |
| ✓ | | | Walk Door(s) |
| ✓ | | | Specified (R-Value) Insulation |
| | ✓ | | Erecting The Building ***NOT FALCON BUILDINGS, LLC)*** |
| | ✓ | | Concrete Engineered Plans |
| | ✓ | | Concrete & Anchor Bolts |
| | ✓ | | Overhead Garage Doors - Windows |
| | ✓ | | Utah Sales Tax |

**TERMS AND CONDITIONS**

30% deposit due at time building contract is submitted to Falcon Buildings. Balance of payment will be due 10 days prior to building shipping. For details about C.O.D payment by cashiers check on day of delivery please make arrangements with Falcon Buildings representative in advance. If building is canceled by customer after engineering process had begun customer will forfeit ***all*** 30% deposit.

Buyer ***must*** take possession of building on date presented to buyer by Falcon Buildings.

If the buyer does not take the building on the said day and the building is held at our facility the storage rate is $500.00 per truck per week.

No overhead garage doors or windows are included in this quote.

***It is sole responsibility of buyer to supply a means of unloading the metal building in a timely manner from the contracted freight company. Extended time in unloading my result in back charge from Freight Company. Any charges by the freight company will be the sole responsibly of the buyer. ***

This quote is the control document that describes the scope as understood by the customer with signature.

Metal Building Manufacturer has reviewed your specifications and/or plans as it developed this quote. The quote may deviate from the project specs and/or plans. Some deviations might be only to indicate that metal building standard specifications will govern. The evaluation of this quotes adequacy to fulfill the project's scope is one that cannot be done by Metal Building Manufacturer but only by you, the buyer. Please contact Metal Building Manufacturer Representative prior to your acceptance of this quote if there are any needed modifications. If this quote is accepted by the buyer and ordered, it will be understood that the scope of work will be as set forth solely in the pages of the Metal Building Manufacturer quote and order documents and that the project specs and/or plans will not be referenced.

Metal Building Manufacturer is the metal building supplier only and is *not* the Engineer of Record (EOR) for the overall project. This is *not* in the scope of Metal Building Manufacturers work. Metal Building Manufacturer nor its engineer are responsible for specifying the design code or loads. It is the Buyer's responsibility to verify with the building official in the governing jurisdiction to ensure that the building code and all loads are correct for the job-site location. Customer/Buyer is responsible for Energy Code compliance.

Metal Building Manufacturer cannot determine the design loads or design code for any project. If this quote is accepted, it will be understood that the design load and design code are the responsibility of the signee and have been verified by the signee to be correct. By signing this order, the signee is taking responsibility for the design loads of the project.

****UNLESS NOTED OTHERWISE THIS QUOTE IS FOR STEEL BUILDING MATERIALS ONLY. ****

1220 E Washington Dam Road Unit #1
Washington, UT 84780
info@falconbuildings.com
(435) 703-5600

# Falcon Buildings, LLC

# Quote

Quote For: Hurricane City Gymnasium
Hurricane, UT 84737

Quote No: U1G-24114-R1
Date: June 12, 2024
Expiration Date: July 5, 2024

## Design Loads

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Width: | 150' | Roof: | Gable | Wind Load: | 106.00 | Seismic D.C. | D |
| Length: | 200' | Slope: | 1.5:12 | Exposure: | C | Rain Intensity: | 4 |
| Left Eave Height: | 25'-6" | Roof Color: | Painted | Ss/AA: | 0.623 | Ground Snow Load (PSF): | 21 |
| Right Eave Height: | 25'-6" | Building Code: | IBC 2021 | S1/Av: | 0.205 | Roof Snow (PSF): | 22 |

| | Quantity | Descriptions |
|---|---|---|
| Roof Panel | | 24 Gauge Standing Seam (CFR) Panel |
| Wall Panel | | 26 Gauge PBR Panel |
| Collateral Load | | Primary & Secondary Collateral 5.0 psf |
| Gutter & Downspout | Included | Front & Back 200' Gutter & Downspout |
| Basketball Hoops | | Loaded for 24 Basketball hoops at 1000# Each |
| Insulation | | R-38 Long tab banded system in roof and R-25 Energy Saver in Walls |
| Running Track Mezz | | See floor plan for mezzanine detail |
| Walkdoors | 3 | 3070 Knockdown walk doors. |
| Framed Openings | 30 | 4'x4' Window Framed Openings |
| | | |
| | | |

Building: $ 700,687.58

Insulation: $ 91,772.13

Freight: INCLUDED

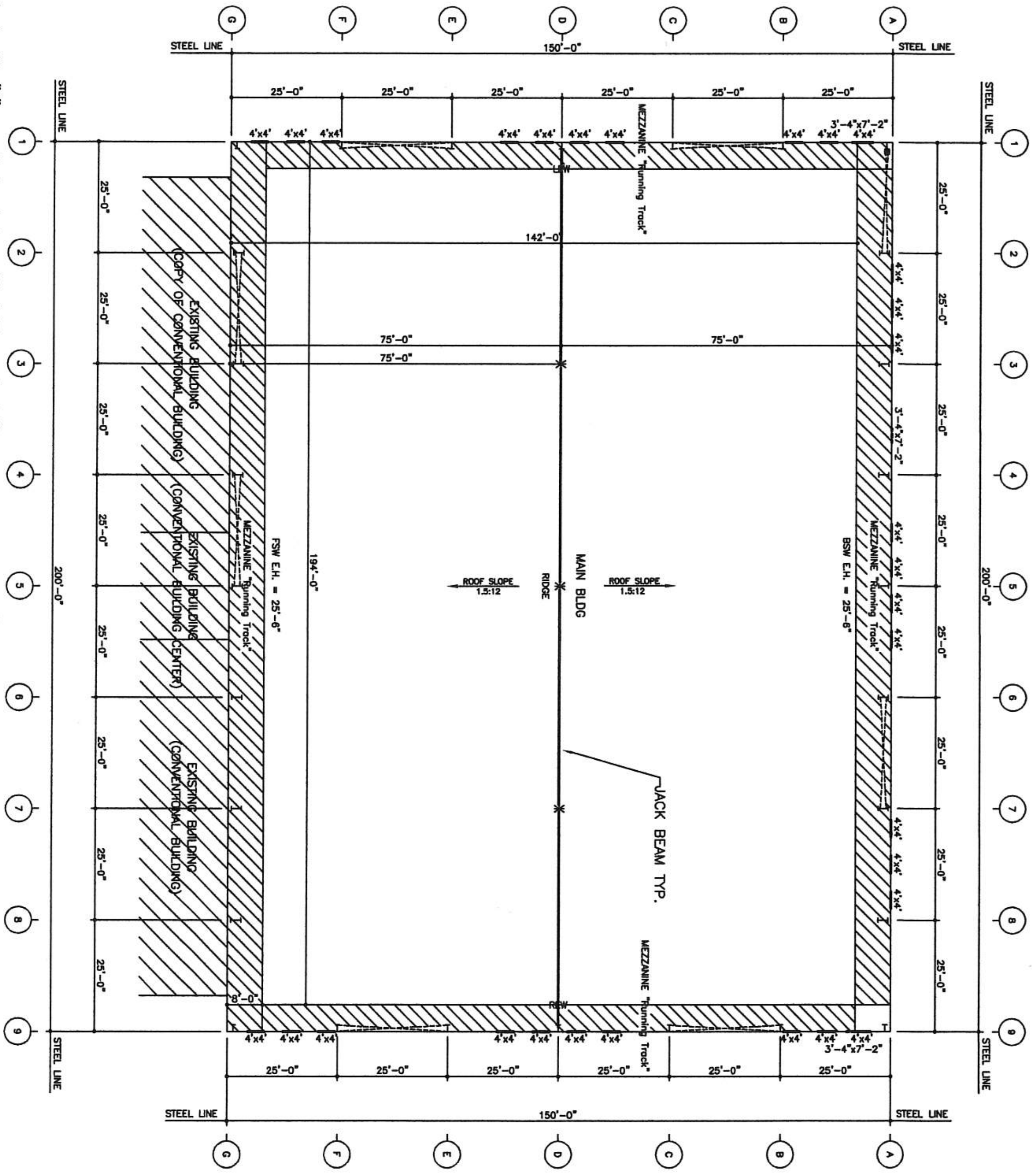
SalesTax: EXEPMT WITH SIGNED TC-721

This is a preliminary form. If this order is accepted, a final P.O. will be sent for electronic signatures.

30.00% Deposit Required: $ 235,000.00

**Building Total:** $ 792,459.72

Column locations marked with "*" are designated as Most Economical (Pipe, Tube, or I-Shape) and will be determined at final design.




| DO NOT USE FOR FINAL CONSTRUCTION | | PROJECT NAME: HURRICANE 4 COURT GYM WITH MEZZ<br>HURRICANE, UT |
|---|---|---|
| SHEET TITLE: PRELIMINARY FLOOR PLAN | | CUSTOMER NAME: FALCON BUILDINGS, LLC<br>WASHINGTON, UT |
| SHEET NUMBER: FP1 | QUOTE NUMBER: U1G-24114 | |

1220 E Washington Dam Road Unit #1
Washington, UT 84780
info@falconbuildings.com
(435) 703-5600

# Falcon Buildings, LLC

Anchor Bolt & Reaction Dates 4-5 weeks
Permit Drawings Date 6-7 weeks
Delivery Week. 12-14 weeks

Falcon Buildings, LLC has delivered and hundreds of buildings in the Washington County area.

Notable Projects.

- Summit athletic club on Sunset BLVD in St. George.
- Two dozen plus buildings in Hurricane Fairgrounds
- Scholzen 54,000 square foot building in Hurricane.

References:

- Grass Creek Construction.

HURRICANE CITY
UTAH

**STAFF COMMENTS**

CONSIDERATION OF ADOPTION OF RESOLUTION NO. 2024-29 - **A RESOLUTION OF THE CITY COUNCIL OF HURRICANE CITY, UTAH (THE "CITY"), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN $14,000,000 AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS**, SERIES 2024 (TO BE ISSUED IN ONE OR MORE SERIES AND WITH SUCH OTHER SERIES OR TITLE AS MAY BE DETERMINED) (THE "BONDS"); FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE CITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PROVIDING FOR THE POSTING OF A NOTICE OF PUBLIC HEARING AND A NOTICE OF BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD AND SETTING OF A PUBLIC HEARING DATE; AUTHORIZING AND APPROVING THE EXECUTION OF A THIRD SUPPLEMENTAL INDENTURE OF TRUST, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

**Discussion:**
This agenda item relates to the secondary water system improvement project for the service area south of 400 S. Prior to issuing bonds for the secondary water system a parameters resolution is required to be approved by the city council which sets forth parameters within which the city will bond. These parameters include but are not limited to, critical elements such as calling for a public hearing, establishing an interest rate that will not be exceeded, and setting forth the maximum allowable debt the city is willing to approve.
On December 5, 2023, the Board of Water Resources (BOWR) authorized a loan of $12,665,000 at an annual rate of 0% for 25 years to Hurricane City for the purpose of installing the secondary water system improvement project south of 400 S.
This resolution is required to continue the process of completing the financing for the system improvement project of which the BOWR will be the purchaser of the bonds.
It would be the recommendation of staff for the council to approve the resolution if the council would like the project to move forward. If for any reason the council determines in the future that this project is not in the best interest of the city, the city council will have an additional opportunity to terminate the bonding process prior to incurring the debt. - Kaden DeMille

**Findings:**

**Recommendation:**

**Attachments:**

1. Third Supplemental Indenture (State Form) - Hurricane Water Rev 2024 4876-3327-2004 v.3
2. Third Supplemental Indenture (State Form) - Hurricane Water Rev 2024
3. Bond Purchase Agreement (Short Form) - Hurricane Water Rev 2024
4. Redline 6.11.24 - Parameters Resolution (super) - Hurricane Water Rev 2024
5. Resolution 2024-29 Authorizing the Issuance of Water Revenue Bond Series 2024

THIRD SUPPLEMENTAL INDENTURE OF TRUST

Dated as of __________, 2024

by and between

HURRICANE CITY, UTAH

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION

Supplementing the General Indenture of Trust
Dated as of April 1, 2017

**Table of Contents**

**Page**





4876-3327-2004, v. 3

THIRD SUPPLEMENTAL INDENTURE OF TRUST

This Third Supplemental Indenture of Trust, dated as of __________, 2024, by and between Hurricane City, Utah, a political subdivision, municipal corporation and body politic duly organized and existing under the Constitution and laws of the State of Utah (the "Issuer") and Zions Bancorporation, National Association, a national bank duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts and having its principal office in Salt Lake City, Utah (the "Trustee");

WITNESSETH:

WHEREAS, the Issuer has previously entered into a General Indenture of Trust, dated as of April 1, 2017 (the "General Indenture"), as previously supplemented with the Trustee; and

WHEREAS, the Issuer desires to issue a Series of Bonds to finance all or a portion of the costs of construction of improvements to the Issuer's water system (the "System"), and all related improvements (collectively, the "Series 2024 Project"); and

WHEREAS the Issuer has determined to issue its Water Revenue Bonds, Series 2024 in the aggregate principal amount of $__________ (the "Series 2024 Bonds") in order to (i) finance the Series 2024 Project and (ii) pay the costs of issuance of the Series 2024 Bonds herein authorized; and

WHEREAS, the Series 2024 Bonds will be authorized, issued, and secured under the General Indenture, as previously supplemented, and as further supplemented by this Third Supplemental Indenture of Trust (the "Third Supplemental Indenture," and collectively with the General Indenture, and any amendments thereto or hereto, the "Indenture"); and

WHEREAS, the State of Utah Department of Natural Resources, Board of Water Resources (the "Board of Water Resources") has agreed to purchase the Series 2024 Bonds upon the terms and conditions herein set forth; and

WHEREAS, the execution and delivery of the Series 2024 Bonds and of this Third Supplemental Indenture have in all respects been duly authorized and all things necessary to make the Series 2024 Bonds, when executed by the Issuer and authenticated by the Trustee, the valid and binding legal obligations of the Issuer and to make this Third Supplemental Indenture a valid and binding agreement have been done;

NOW, THEREFORE, THIS THIRD SUPPLEMENTAL INDENTURE OF TRUST WITNESSETH, that to secure the Series 2024 Bonds and all Additional Bonds issued and Outstanding under the Indenture, the payment of the principal or redemption price thereof and interest thereon, the rights of the Registered Owners of the Bonds and of all Reserve Instrument Providers and the performance of all of the covenants contained in such Bonds and herein, and for and in consideration of the mutual covenants herein contained and of the purchase of such Bonds by the Registered Owners thereof from time to time and the issuance of the Reserve Instrument by the Reserve Instrument Provider, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer has executed and delivered this Third Supplemental Indenture, and by these presents does, in confirmation of the General Indenture, as supplemented, hereby sell, assign, transfer, set over and pledge unto Zions Bancorporation, National Association, as Trustee, its successors and trusts and its assigns forever, to the extent provided in the General Indenture, as supplemented, all right, title and interest of the Issuer in and to (i) the Net Revenues (as defined in the General Indenture), (ii) all moneys in funds and accounts held by the Trustee under the General Indenture and hereunder (except the Rebate Fund), and (iii) all other rights granted under the General Indenture and hereinafter granted for the further securing of such Bonds.

TO HAVE AND TO HOLD THE SAME unto the Trustee and its successors in trust hereby created and its and their assigns forever;

IN TRUST, NEVERTHELESS, FIRST, for the equal and ratable benefit and security of all present and future Registered Owners of Bonds without preference, priority, or distinction as to lien or otherwise (except as otherwise specifically provided), of any one Bond over any other Bond, and SECOND, for the equal and proportionate benefit, security, and protection of all Reserve Instrument Providers, without privilege, priority, or distinction as to the lien or otherwise of any Reserve Instrument Repayment Obligation over any of the others by reason of time of issuance, delivery, or expiration thereof or otherwise for any cause whatsoever.

## ARTICLE I

## SUPPLEMENTAL INDENTURE; DEFINITIONS

Section 1.1 Supplemental Indenture. This Third Supplemental Indenture is supplemental to, and is executed in accordance with and pursuant to Articles II and IX of the General Indenture.

Section 1.2 Uniform Definitions. All terms which are defined in the General Indenture shall have the meanings, respectively, herein (including the use thereof in the recitals and the granting clauses thereof) unless expressly given a different meaning or unless the context clearly otherwise requires. All terms used herein which are defined in the recitals hereto shall have the meanings therein given to the same unless the context requires otherwise and, in addition, the following terms shall have the meanings specified below.

Section 1.3 Additional Definitions. In addition, for purposes of the General Indenture and this Third Supplemental Indenture, the following terms shall, unless the context clearly requires otherwise, have the meanings as follows:

"Board of Water Resources" means the State of Utah Department of Natural Resources, Board of Water Resources.

"Debt Service Reserve Requirement" means, with respect to the Series 2024 Bonds, the amount of $[528,000] which shall be funded as provided in Section 4.4 herein.

"Interest Payment Date" means, with respect to the Series 2024 Bonds, each December 1, beginning December 1, 2025.

"Original Issue Date" means, with respect to the Series 2024 Bonds, their initial delivery date.

"Series 2024 Bonds" means the Issuer's Water Revenue Bonds, Series 2024, herein authorized.

"Series 2024 Acquisition/Construction Account" means the account established within the Acquisition/Construction Fund under the General Indenture held in trust by the Trustee, into which the net proceeds of the Series 2024 Bonds shall be deposited as provided herein.

"Series 2024 Debt Service Reserve Account" means the account established within the Debt Service Reserve Fund under the General Indenture held in trust by the Trustee.

"Series 2024 Project" means improvements to the Issuer's System, including the acquisition and installation of secondary water meters, and all related improvements.

## ARTICLE II

## ISSUANCE OF THE SERIES 2024 BONDS

Section 2.1 Principal Amount, Designation and Series. The Series 2024 Bonds are hereby authorized for issuance under the Indenture for the purpose of providing funds to (a) finance the Series 2024 Project and (b) pay costs incurred in connection with the issuance of the Series 2024 Bonds. The Series 2024 Bonds shall be limited to $[12,665,000] in aggregate principal amount, shall be issued (i) if issued as a State Bond, in the form set forth in Exhibit B-1 and (ii) if issued as an Exchange Bond, in the form set forth in Exhibit B-2 in fully registered form. The Series 2024 Bonds shall bear interest from their Original Issue Date at the rate of [0]% per annum on the unpaid principal balance of the Series 2024 Bonds which shall be payable annually commencing December 1, 2025. Bonds shall be in the denomination of $1,000 or any integral multiple thereof. The Series 2024 Bonds shall initially be issued as one fully registered State Bond. The Series 2024 Bonds shall be designated as, and shall be distinguished from the Bonds of all other series by the title, "Hurricane City, Utah, Water Revenue Bonds, Series 2024."

The Series 2024 Bonds shall be in such form as to permit the Board of Water Resources to make incremental advances on its total loan commitment to the Issuer during the period of acquisition and construction of the Series 2024 Project.

Section 2.2 Date, Payment Dates, and Interest. The Series 2024 Bonds shall be in the denomination of One Thousand Dollars ($1,000) each or any integral multiple thereof and shall be paid as provided in this Section 2.2.

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or by redemption, shall be payable upon presentation of the applicable Series 2024 Bonds at the offices of the Paying Agent for endorsement or surrender, or of any successor Paying Agent.

So long as the Board of Water Resources is the Registered Owner of the Series 2024 Bonds, payments on the Series 2024 Bonds (except in the case of the final principal payment wherein the Series 2024 Bonds must be presented) shall be made by check or draft without presentation of the Series 2024 Bonds and mailed to the Board of Water Resources as the Registered Owner at the address shown on the registration books maintained by the Registrar. Payment on the Series 2024 Bonds shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America.

The Series 2024 Bonds shall be dated as of the Original Issue Date, and shall be payable in installment payments on December 1 in the years and in the amounts and shall bear interest at the rate of [0]% per annum as follows:

| Payment Date (December 1) | Principal Amount |
|---|---|
| 2025 | $[474,000 |
| 2026 | 474,000 |
| 2027 | 474,000 |
| 2028 | 474,000 |
| 2029 | 474,000 |
| 2030 | 475,000 |
| 2031 | 475,000 |
| 2032 | 475,000 |
| 2033 | 475,000 |
| 2034 | 475,000 |
| 2035 | 528,000 |
| 2036 | 528,000 |
| 2037 | 528,000 |
| 2038 | 528,000 |
| 2039 | 528,000 |
| 2040 | 528,000 |
| 2041 | 528,000 |
| 2042 | 528,000 |
| 2043 | 528,000 |
| 2044 | 528,000 |
| 2045 | 528,000 |
| 2046 | 528,000 |
| 2047 | 528,000 |
| 2048 | 528,000 |
| 2049 | 528,000] |

The interest on Series 2024 Bonds so payable, and punctually paid and duly provided for, on any Interest Payment Date will be paid to the Registered Owner thereof at the close of business on the Regular Record Date for such interest. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner of any Series 2024 Bonds on such Regular Record Date, and may be paid to the registered owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof to be given to such registered owner not less than ten days prior to such Special Record Date. The principal of and premium, if any, on the Series 2024 Bonds are payable upon presentation and surrender thereof at the principal corporate trust office of the Trustee. Interest shall be paid by check or draft mailed on each Interest Payment Date to the Holder of each of the Series 2024 Bonds as the name and address of such Holder appears on the Record Date in the Register. As long as the Board of Water Resources is the registered holder of the Series 2024 Bonds, installment payments of principal and interest shall be made without presentation of the Series 2024 Bonds (except in the case of the final principal payment wherein the Series 2024 Bonds must be presented) by check or draft mailed to the Board of Water Resources as the Registered Owner at the address shown on the registration books maintained by the Registrar. Interest on the Series 2024 Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Section 2.3 Delinquent Payment. Payments of principal and/or interest on the Series 2024 Bonds which are delinquent from the due date thereof shall draw interest at the rate of eighteen percent (18%) per annum on the delinquent payment from said due date until paid in full.

Section 2.4 Exchange of State Bonds. As long as the Board of Water Resources is the sole Registered Owner of the Series 2024 Bonds, the Series 2024 Bonds shall be issued only as the State Bonds in the form prescribed in Exhibit B-1. It is recognized that the Board of Water Resources may sell or otherwise transfer the Series 2024 Bonds pursuant to the provisions of the State Financing Consolidation Act, Title 63B, Chapter 1b, Utah Code Annotated 1953, as amended, or otherwise. In the event the Board of Water Resources determines to sell or otherwise transfer all or a portion of the Series 2024 Bonds pursuant to the State Financing Consolidation Act, or otherwise, the State Bonds shall be exchanged at the office of the Paying Agent for a like aggregate principal amount of Exchange Bonds in accordance with the provisions of this Section 2.4. Any Series 2024 Bond, or any portion thereof, which is sold or otherwise transferred or liquidated by the Board of Water Resources pursuant to the State Financing Consolidation Act, or otherwise, shall be in the form of an Exchange Bond prescribed in Exhibit B-2, and shall be executed pursuant to authorization contained in Section 2.6 of the General Indenture. Each principal payment on the State Bonds not previously paid or canceled shall be represented by an equivalent principal amount of Exchange Bonds, in authorized denominations, and of like maturity. The Issuer and its officers shall execute and deliver such documents and perform such acts as may reasonably be required by the Issuer to accomplish the exchange of the State Bonds for Exchange Bonds, provided that the Board of Water Resources shall pay or cause to be paid all costs and other charges incident to such exchange and the Issuer shall have no obligation to pay any such costs or charges.

Section 2.5 Designation of Registrar. Zions Bancorporation, National Association, Salt Lake City, Utah, is hereby designated as Registrar for the Series 2024 Bonds, acceptance of which appointment shall be evidenced by execution of this Third Supplemental Indenture by the Trustee.

Section 2.6 Designation of Paying Agent. Zions Bancorporation, National Association, Salt Lake City, Utah, is hereby designated as Paying Agent for the Series 2024 Bonds, acceptance of which appointment shall be evidenced by execution of this Third Supplemental Indenture by the Trustee.

Section 2.7 Limited Obligation. The Series 2024 Bonds, together with interest thereon, shall be special limited obligations of the Issuer payable solely from the Net Revenues (except to the extent paid out of moneys attributable to the Series 2024 Bond proceeds or other funds created hereunder or under the Indenture (excluding the Rebate Fund) or the income from the temporary investment thereof).

Section 2.8 Optional Redemption and Redemption Prices. Each principal payment of the Series 2024 Bonds is subject to prepayment and redemption at any time, in whole or in part (if in part, in integral multiples of $1,000), at the election of the Issuer, in inverse order of the due dates thereof, and by lot selected by the Issuer if less than all of the State Bonds of a particular due date are to be redeemed, upon notice as provided in Section 2.8 of the General Indenture, and upon at least thirty (30) days' prior written notice of the amount of prepayment and the date scheduled for prepayment to the Board of Water Resources with respect to the State Bonds, and at a redemption price equal to 100% of the principal amount to be prepaid or redeemed, plus accrued interest, if any, to the date of redemption.

Section 2.9 Sale of Series 2024 Bonds. The Series 2024 Bonds are hereby sold to the Board of Water Resources at a purchase price of $[12,665,000].

Section 2.10 Series 2024 Bonds as Additional Bonds. The Series 2024 Bonds are issued as Additional Bonds under Section 2.13 of the General Indenture. The Issuer hereby certifies that the requirements set forth in Section 2.4(c) of the General Indenture have been and will be complied with in connection with the issuance of the Series 2024 Bonds.

## ARTICLE III

## ADDITIONAL COVENANTS

Section 3.1 Additional Covenants with Respect to the Series 2024 Bonds. The Issuer hereby covenants and agrees with the holder of the Series 2024 Bonds issued hereunder the following:

(a) So long as the Series 2024 Bonds remain outstanding, proper books of record and account will be kept by the Issuer separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the System. The Bondholder or any duly authorized agent or agents of such holder shall have the right at all reasonable times to inspect all records, accounts and data relating thereto and to inspect the System and all properties constituting the System. Except as otherwise provided herein, the Issuer further agrees that it will within one hundred eighty (180) days following the close of each fiscal year (the term "fiscal year" as used in this subsection meaning whatever twelve-month period the Issuer may from time to time be using for general financial accounting purposes) cause an audit of such books and accounts to be made by an independent firm of certified public accountants, showing the receipts and disbursements for account of the System, and that such audit will be available for inspection by each Bondholder; provided, however, during such periods of time as the Board of Water Resources is the registered owner of any of the Series 2024 Bonds, each such audit will be supplied to the Board of Water Resources as soon as completed without prior request therefor by the Board of Water Resources. Each such audit, in addition to whatever matters may be thought proper by the accountant to be included therein, shall include the following:

(i) A statement of the income and expenditures of the System for such fiscal year;

(ii) A balance sheet as of the end of such fiscal year;

(iii) Any accountant's comments regarding the manner in which the Issuer has carried out the requirements of this Third Supplemental Indenture, and the accountant's recommendations for any change or improvement in the operation of the System;

(iv) The total billings for such fiscal year; and

(v) All schedules of rates and charges imposed for water service during the fiscal year.

The audit must be performed in accordance with generally accepted government auditing standards.

(b) In addition to the reporting requirements set forth in 3.1(a) above, the Issuer shall submit to the Board of Water Resources within one hundred eighty (180) days following the close of the Issuer's fiscal year, a summary report substantially in the form as provided by the Board of Water Resources to the Issuer upon purchase of the Series 2024 Bonds. The Board of Water Resources may, however, upon written request from the Issuer setting forth the reasons why a certified audit is not necessary or is impractical, waive the audit requirements for any particular fiscal year set forth in this Section 3.1(b).

All expenses incurred in compiling the information required by this section shall be regarded and paid as an Operation and Maintenance Expense. If the holder of the Series 2024 Bonds is other than the Board of Water Resources, the Issuer agrees to furnish a copy of such information to such Bondholder at its request after the close of each fiscal year. Any Bondholder shall have the right to discuss with the accountant compiling such information the contents thereof and to ask for such additional information as it may reasonably require.

(c) The Issuer shall commence and complete the acquisition and construction of the Series 2024 Project with all practical dispatch and will cause all construction to be effected in a sound and economical manner.

(d) Any bill not paid within thirty (30) days from the date it is mailed to the customer shall be deemed delinquent. The Issuer hereby agrees that if any water bill remains delinquent for more than sixty (60) days, it will initiate proceedings to cause all water service to the water user concerned to be cut off immediately.

(e) The Issuer will maintain its corporate identity, will make no attempt to cause its corporate existence to be abolished and will resist all attempts by other municipal corporations to annex all or any part of the territory now or hereafter in the Issuer or served by the System.

Section 3.2 Tax Matters.

(a) The Issuer shall make no investment or other use of the proceeds of the Series 2024 Bonds at any time during the term thereof which, if such investment or other use had been reasonably expected on the date the Series 2024 Bonds is issued, would have caused the Series 2024 Bonds to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, (the "Code") and the regulations promulgated thereunder and shall comply with all the requirements thereof throughout the term of the Series 2024 Bonds.

(b) The Mayor and the City Recorder of the Issuer are hereby authorized and directed to execute such certificates as shall be necessary to establish that the Series 2024 Bonds are not “arbitrage bonds” within the meaning of Section 148 of the Code and the Treasury Regulations promulgated or proposed with respect thereto, as the same currently exist, or may from time to time hereafter be amended, supplemented or revised. The Issuer covenants and certifies to and for the benefit of the Registered Owners that no use will be made of the proceeds of the issue and sale of the Series 2024 Bonds, or any funds or accounts of the Issuer which may be deemed to be gross proceeds of the Series 2024 Bonds, which use, if it had been reasonably expected on the date of issuance of the Series 2024 Bonds, would have caused the Series 2024 Bonds to be classified as “arbitrage bonds” within the meaning of Section 148 of the Code. Pursuant to this covenant, the Issuer obligates itself to comply throughout the term of the Series 2024 Bonds with the requirements of Sections 103 and 141 through 150 of the Code and the regulations proposed or promulgated with respect thereto. The Issuer further represents and covenants that no bonds or other evidences of indebtedness of the Issuer have been or will be issued, sold, or delivered within a period beginning fifteen (15) days prior to the sale of the Series 2024 Bonds and ending fifteen (15) days following the delivery of the Series 2024 Bonds.

## ARTICLE IV

## APPLICATION OF PROCEEDS AND FUNDS AND ACCOUNTS

Section 4.1 Creation of Series 2024 Accounts. There is hereby established with the Trustee the following accounts:

(a) a Series 2024 Acquisition/Construction Account within the Acquisition/Construction Fund; and

(b) a Series 2024 Debt Service Reserve Account within the Debt Service Reserve Fund.

Section 4.2 Application of Proceeds of the Series 2024 Bonds. The Issuer shall deposit with the Trustee the proceeds of the Series 2024 Bonds when advanced pursuant to [Section 3.3 herein], and the Trustee shall deposit said proceeds into the Series 2024 Acquisition/Construction Account held by the Trustee under the General Indenture. At closing, the payment of $__________, which constitutes the initial advance of the total principal amount of the Series 2024 Bonds, of the proceeds from the sale of the Series 2024 Bonds, together with an Issuer contribution in the amount of $[2,235,000] shall be deposited in the Series 2024 Acquisition/Construction Account within the Acquisition/Construction Fund.

Section 4.3 Series 2024 Acquisition/Construction Account. Disbursements of moneys in the Series 2024 Acquisition/Construction Account shall be made in accordance with the terms of Section 5.1 of the General Indenture. Each requisition from said Series 2024 Acquisition/Construction Account shall be approved by a qualified representative of the Board of Water Resources, provided, however, that the Costs of Issuance shall be paid by the Trustee from the Series 2024 Acquisition/Construction Account upon receipt from the Issuer of an executed Cost of Issuance Disbursement Request in substantially the form of Exhibit C attached hereto.

Section 4.4 Series 2024 Debt Service Reserve Account. From and after the delivery date of the Series 2024 Bonds, the Issuer shall allocate in no more than [ten annual] installments to be paid on December 1 of each year, commencing December 1, 2025, to the Series 2024 Debt Service Reserve Account, until there shall have been accumulated therein an amount equal to $[528,000], the Debt Service Reserve Requirement with respect to the Series 2024 Bonds. The moneys on deposit in the Series 2024 Debt Service Reserve Account shall be used and when used, replenished, in accordance with the provisions of the General Indenture.

## ARTICLE V

## MISCELLANEOUS

Section 5.1 Confirmation of Sale of Series 2024 Bonds. The sale of the Series 2024 Bonds to the Board of Water Resources at a price of $[12,665,000] is hereby ratified, confirmed, and approved.

Section 5.2 Severability. If any provision of this Third Supplemental Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or sections in this Third Supplemental Indenture contained, shall not affect the remaining portions of this Third Supplemental Indenture, or any part thereof.

Section 5.3 Counterparts. This Third Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.4 Applicable Law. This Third Supplemental Indenture shall be governed exclusively by the applicable laws of the State of Utah.

Section 5.5 Effective Date. This Third Supplemental Indenture shall become effective immediately upon execution.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Third Supplemental Indenture of Trust to be executed as of the date first written above.

HURRICANE CITY, UTAH

(SEAL)

By:______________________________________
Mayor

COUNTERSIGN:

By:__________________________________
City Recorder

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, as Trustee

By:______________________________________

Title:_____________________________________

# EXHIBIT A

## DESCRIPTION OF SERIES 2024 PROJECT

Improvements to the Issuer's water system (the "System"), and all related improvements.

EXHIBIT B-1

FORM OF STATE BONDS—SERIES 2024 BOND

UNITED STATES OF AMERICA
STATE OF UTAH
HURRICANE CITY
WATER REVENUE BOND, SERIES 2024

Number R - 1 $__________

| Interest Rate | Maturity Date | Original Issue Date |
| --- | --- | --- |

Registered Owner: ______________________________________________________________

Principal Amount: ______________________________________________________________

Hurricane City, Utah ("Issuer"), a political subdivision, municipal corporation and body politic duly organized and existing under the Constitution and laws of the State of Utah, for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner named above or registered assigns, out of the special fund hereinbelow designated and not otherwise, the Principal Amount specified above in installments set forth herein with interest thereon until paid at the Interest Rate per annum specified above, payable annually on December 1 of each year, until the Total Principal Sum set forth in the "Certificate of Dates of Payment and Amount" at the end of this Bond, but in no event more than the maximum amount of $__________, is paid in full. Principal and premium, if any, shall be payable upon surrender of this Bond at the principal offices of Zions Bancorporation, National Association, One South Main Street, 12th Floor, Salt Lake City, Utah ("Trustee" and "Paying Agent"), or its successors provided, however, that as long as the State of Utah Department of Natural Resources, Board of Water Resources ("Board of Water Resources") is the registered holder of this Bond, installment payments of principal and interest shall be made without presentation of the Bond (except in the case of the final principal payment wherein the Series 2024 Bonds must be presented) by check or draft mailed to the Board of Water Resources as the Registered Owner at the address shown on the registration books maintained by the Registrar. Interest on this Bond shall be payable by check or draft mailed to the Registered Owner hereof at the address as it appears on the registration books of the Paying Agent, who shall also act as the Registrar for the Issuer, or at such other address as is furnished to the Paying Agent in writing by such Registered Owner. Interest hereon shall be deemed to be paid by the Paying Agent when mailed. Both principal and interest shall be payable in lawful money of the United States of America. Principal shall be payable in registered installments on December 1 of each of the years as set forth in the following repayment schedule:

| Payment Date (December 1) | Principal Amount |
|---|---|

If less than $__________ is advanced on the Series 2024 Bonds, the repayment period shall be shortened and the number of annual principal installments shall be reduced in inverse order of payment (and the amount of the final remaining principal payment shall be reduced, if required) to correspond to the maximum principal amount of the Series 2024 Bonds.

If any installment payment of Bond principal and interest is not paid when due and payable, the Issuer shall pay interest at the rate of eighteen percent (18%) per annum on the delinquent installment from said due date until paid. All payments shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America.

This Bond is payable solely from a special fund designated the "Bond Fund" established under a General Indenture of Trust dated April 1, 2017 (the "General Indenture"), as previously supplemented, by and between the Issuer and Zions Bancorporation, National Association, as trustee (the "Trustee"). To the extent necessary to assure prompt payment of this Bond, the Issuer shall pledge 100% of the Net Revenues (as defined in the Indenture herein described) in the Bond Fund derived and to be derived from the operation of the Issuer's water system (the "System"), all as more fully described and provided in the General Indenture, as previously supplemented, and as further supplemented by a Third Supplemental Indenture of Trust dated as of __________, 2024 (the "Third Supplemental Indenture"), by and between the Issuer and the Trustee and approved by the City Council of the Issuer on June 20, 2024 (the General Indenture and Third Supplemental Indenture are collectively referred to herein as the "Indenture").

This Bond is issued pursuant to (1) the Indenture and (2) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act") for the purpose of purpose of providing funds to (a) finance the Series 2024 Project (as defined in the Third Supplemental Indenture) and (b) pay costs incurred in connection with the issuance of the Series 2024 Bonds. This Bond is a special limited obligation of the Issuer payable solely from the Net

Revenues (as defined in the Indenture) of the System and does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Revenues of the System.

As provided in the Indenture, bonds, notes and other obligations may be issued from time to time in one or more series in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture, and the aggregate principal amount of such bonds, notes and other obligations which may be issued is not limited. This Bond and all other bonds, notes and other obligations issued and to be issued under the Indenture on a parity with this Bond are and will be equally and ratably secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in or pursuant to the Indenture.

The issuance of this Bond shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for its payment.

This Bond is subject to prepayment and redemption at any time, in whole or in part (if in part, in integral multiples of $1,000), at the election of the Issuer in inverse order of the due date of the principal installments hereof and by lot selected by the Issuer if less than all Bonds of a particular due date are to be redeemed, upon notice given as hereinafter set forth, at a redemption price equal to the principal amount to be so prepaid.

Notice of redemption shall be mailed by the Trustee, postage prepaid, not less than thirty (30) days prior to the date fixed for prepayment, to the registered owner of this Bond addressed to such owner at its address appearing on the registration books maintained by the Trustee.

Subject to the provisions of the Indenture, the Bonds are issuable in fully registered form, without coupons, in denomination equal to the principal amount of the bonds or, upon exchange, in the denomination of $1,000 and any integral multiple thereof.

The Issuer covenants and agrees that it will fix rates for water service sufficient to pay when due this Bond and the principal and interest on all bonds issued on a priority to or parity with this Bond, if any, as the same fall due, provided such rates must be reasonable rates for the type, kind and character of the service rendered, and will collect and account for the Revenues (as defined in the Indenture) to be received for such service, and will set aside one hundred percent (100%) of the Net Revenues of the System (as defined in the Indenture) to pay this Bond according to the payment terms hereinabove set forth and the principal and interest on all bonds issued on a parity with this Bond, if any.

To the extent and in the respects permitted by the Indenture, the Indenture may be modified or amended by action on behalf of the Issuer taken in the manner and subject to the conditions and exceptions prescribed in the Indenture. The holder or owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the pledge or covenants made therein or to take any action with respect to an event of default under the Indenture or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

This Bond shall be registered in the name of the initial purchaser and any subsequent purchasers in an appropriate book in the office of the Trustee, who shall be the Registrar. This Bond is transferable only by notation upon said book by the registered owner hereof in person or by his attorney duly authorized in writing, by the surrender of this Bond, together with a written instrument of transfer satisfactory to the Issuer, duly executed by the registered owner or his attorney duly authorized in writing; thereupon, this Bond shall be delivered to and registered in the name of the transferee.

It is hereby declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in regular and due time, form and manner as required by law, that the amount of this Bond does not exceed any limitation prescribed by the Constitution or statutes of the State of Utah, that the Net Revenues (as defined in the Indenture) to be derived from the operation of the System have been pledged and that an amount therefrom will be set aside into a special fund by the Issuer sufficient for the prompt payment of this Bond, and all bonds and notes issued on a parity with this Bond, if any, and that said Net Revenues are not pledged, hypothecated or anticipated in any way other than by the issue of this Bond and all bonds and notes issued on a parity with this Bond, if any.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication on this Bond shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by its Mayor and countersigned by its City Recorder with the seal of said Issuer affixed, all as of this __________, 2024.

HURRICANE CITY, UTAH

(SEAL)

By: (Do Not Sign)
Mayor

COUNTERSIGN:

By: (Do Not Sign)
City Recorder

CERTIFICATE OF AUTHENTICATION

This Bond is the Series 2024 Bond described in the within mentioned Indenture.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, as Trustee

By: ____________________________________
Authorized Officer

Date of Authentication:

____________________________________

REGISTRATION CERTIFICATE

(No writing to be placed herein except by the Bond Registrar)

| Date of Registration | Name of Registered Owner | Signature of Bond Registrar |
|---|---|---|
| ____________________ | State of Utah Department of Natural Resources, Board of Water Resources | ____________________ |
| ____________________ | ____________________ | ____________________ |
| ____________________ | ____________________ | ____________________ |
| ____________________ | ____________________ | ____________________ |
| ____________________ | ____________________ | ____________________ |

CERTIFICATE OF DATES OF PAYMENT AND AMOUNT

The undersigned authorized representative of the State of Utah Department of Natural Resources, Board of Water Resources (the "Board of Water Resources"), hereby certifies that the Board has received written authorization from the City Recorder or City Administrator of the Issuer to stamp or write the amount or amounts indicated below on the date or dates set forth opposite such amount(s); that the amount last inserted under the column "Total Principal Sum" is the total amount received by the issuer for the issuance of this Bond, and that the undersigned has placed his/her signature in the space provided opposite such amount(s) to evidence the same. A copy of this certificate shall be forwarded to the Trustee (Zions Bancorporation, National Association) pursuant to the requirement in Section 2.2 of the Third Supplemental Indenture dated as of __________, 2024.

| Amount of Payment | Date of Payment | Total Principal Sum | Board Representative Signature |
|---|---|---|---|
| $__________ | ________ | $__________ | ______________________________ |
| $__________ | ________ | $__________ | ______________________________ |
| $__________ | ________ | $__________ | ______________________________ |
| $__________ | ________ | $__________ | ______________________________ |
| $__________ | ________ | $__________ | ______________________________ |
| $__________ | ________ | $__________ | ______________________________ |
| $__________ | ________ | $__________ | ______________________________ |
| $__________ | ________ | $__________ | ______________________________ |
| $__________ | ________ | $__________ | ______________________________ |
| $__________ | ________ | $__________ | ______________________________ |
| $__________ | ________ | $__________ | ______________________________ |
| $__________ | ________ | $__________ | ______________________________ |

<u>EXHIBIT B-2</u>

FORM OF EXCHANGE BONDS—SERIES 2024

UNITED STATES OF AMERICA
STATE OF UTAH
HURRICANE CITY
WATER REVENUE BONDS, SERIES 2024

| <u>Interest Rate</u> | <u>Maturity Date</u> | <u>Issue Date</u> |
|---|---|---|
| % | ____________ | __________, 2024 |

Registered Owner: ____________________________________________________________

Principal Amount: ________________________________________________ DOLLARS

Hurricane City, Utah (the "Issuer"), a political subdivision, municipal corporation and body politic of the State of Utah, acknowledges itself indebted and for value received hereby promises to pay, but solely in the manner and from the revenues and sources hereinafter provided, to the Registered Owner identified above, or registered assigns, on the Maturity Date specified above, upon presentation and surrender thereof, the Principal Amount identified above. Interest on the Principal Amount shall be payable by check or draft mailed by __________ (the "Paying Agent") to the Registered Owner hereof on each ___________, commencing ___________, 20__. Principal, interest, and redemption price of this Bond shall be payable upon presentation of this Bond to the Paying Agent, for payment at maturity.

If any installment payment of Bond principal and interest is not paid when due and payable, the Issuer shall pay interest at the rate of eighteen percent (18%) per annum on the delinquent installment from said due date until paid. All payments shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America

This Bond is one of an authorized issue of bonds of like date, term and effect except as to maturity, in the aggregate principal amount of ________________________ Dollars ($__________), issued in exchange for the conversion of the Issuer's Water Revenue Bonds, Series 2024 in the total principal sum of $___________ authorized by a General Indenture of Trust dated as of April 1, 2017, as previously supplemented and as further supplemented by a Third Supplemental Indenture of Trust dated as of __________, 2024 (together, the "Indenture"), as authorized by a resolution of the Issuer adopted on June 20, 2024. This Bond and the issue of Bonds of which it is a part is issued pursuant to (1) the Indenture and (2) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act") to (a) finance the Series 2024 Project, as defined in the Indenture, and (b) pay costs incurred in connection with the issuance of the Series 2024 Bonds. This Bond is a special limited obligation of the Issuer payable solely from the Net Revenues (as defined in the Indenture) of the System and does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Revenues of the System.

As provided in the Indenture, bonds, notes and other obligations may be issued from time to time in one or more series in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture, and the aggregate principal amount of such bonds, notes and other obligations which may be issued is not limited. This Bond and all other bonds, notes and other obligations issued and to be issued under the Indenture on a parity with this Bond are and will be equally and ratably secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in or pursuant to the Indenture.

The issuance of this Bond shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for its payment.

The Bonds are subject to redemption prior to maturity at any time, in whole or in part (if in part, in integral multiples of $1,000), at the election of the Issuer in inverse order of maturity and by lot within each maturity if less than the full amount is redeemed, upon not less than thirty (30) days' nor more than sixty (60) days' prior notice, at a redemption price equal to 100% of the principal amount of each Bond to be redeemed. Notice of redemption shall be mailed by the Issuer, postage prepaid, to the registered owners of said Bonds addressed to such owners at their address appearing on the registration books maintained by the Issuer.

Subject to the provisions of the Indenture, the Series 2024 Bonds are issuable in fully registered form, without coupons, in denomination equal to the principal amount of the bonds or, upon exchange, in the denomination of $1,000 or any integral multiple thereof.

The Issuer covenants and agrees that it will fix rates for water service sufficient to pay this Bond when due, and principal and interest on all bonds and Bonds issued on a priority to or parity with this Bond, if any, as the same fall due, provided such rates must be reasonable rates for the type, kind and character of the service rendered, and will collect and account for the Revenues (as defined in the Indenture) to be received for such service, and will set aside one hundred percent (100%) of the Net Revenues of the System (as defined in the Indenture) to pay this Bond according to the payment terms hereinabove set forth and the principal and interest on all bonds and notes issued on a parity with this Bond, if any.

To the extent and in the respects permitted by the Indenture, the Indenture may be modified or amended by action on behalf of the Issuer taken in the manner and subject to the conditions and exceptions prescribed in the Indenture. The Registered Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the pledge or covenants made therein or to take any action with respect to an event of default under the Indenture or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

This Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the office of the Trustee (the "Registrar") but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

It is hereby certified, recited and declared that all conditions, acts and things essential to the validity of this Bond and the issue of which it forms a part do exist, have happened and have been done, and that every requirement of law affecting the issue hereof has been duly complied with; that this Bond and the issue of which it forms a part does not exceed any limitation prescribed by the Constitution and laws of the State of Utah; that one hundred percent (100%) of the Net Revenues to be derived from the operation of the System, including any future improvements, additions and extensions thereto, have been pledged and will be set aside into said special fund by the Issuer to be used for the payment of this Bond and the issue of which it forms a part, and all bonds and notes issued on a parity with this Bond, if any, and that said Net Revenues of the System are not pledged, hypothecated or anticipated in any way other than by the issue of Series 2024 Bonds of which this Bond is one and all bonds and notes issued on a parity with this Bond, if any.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication on this Bond shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by its Mayor and countersigned by its City Recorder with the seal of said Issuer affixed, all as of __________, 2024.

(SEAL)

By: /s/(manual or facsimile signature)
Mayor

COUNTERSIGN:

By: /s/(manual or facsimile signature)
City Recorder

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2024 Bonds described in the within mentioned Indenture.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, as Trustee

By:______________________________
Authorized Officer

Date of Authentication:

__________________________________

REGISTRATION CERTIFICATE

(No writing to be placed herein except by the Bond Registrar)

This Bond shall be payable only to the order of the registered owner or his legal representative.

| Date of Registration | Name of Registered Owner | Signature of Bond Registrar |
|---|---|---|
| | | |
| | | |
| | | |
| | | |
| | | |

ASSIGNMENT

FOR VALUE RECEIVED, _____________________________________, the undersigned sells, assigns, and transfers unto:

_______________________________________________________________________
(Social Security or Other Identifying Number of Assignee)

_______________________________________________________________________
(Please Print or Typewrite Name and Address of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints ______________________________ attorney for registration thereof, with full power of substitution in the premises.

DATED:______________________

Signature:___________________________

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular without alteration or enlargement or any change whatever.

Signature Guaranteed:

___________________________________

NOTICE: Signature(s) must be guaranteed by an "eligible guarantor institution" that is a member of or a participant in a "signature guarantee program" (e.g., the Securities Transfer Agents Medallion Program, the Stock Exchange Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program).

# EXHIBIT C

COST OF ISSUANCE DISBURSEMENT REQUEST
SERIES 2024 BONDS

Zions Bancorporation, National Association
One South Main Street, 12th Floor
Salt Lake City UT 84133

Pursuant to Section 4.3 of the Third Supplemental Indenture of Trust dated as of __________, 2024, you are hereby authorized to pay to the following costs of issuance from the Series 2024 Acquisition/Construction Account:

[See Attached Schedule]

____________________________________
MAYOR,
HURRICANE CITY, UTAH

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES, BOARD OF WATER RESOURCES

____________________________________

COSTS OF ISSUANCE

| Payee | Purpose | Amount |
| --- | --- | --- |

# EXHIBIT D

## FORM OF REQUISITION

Re: Hurricane City, Utah, Water Revenue Bonds, Series 2024 in the sum of $__________

Zions Bancorporation, National Association
One South Main Street, 12th Floor
Salt Lake City, Utah 84133

You are hereby authorized to disburse from the Series 2024 Account of the Acquisition/Construction Fund with regard to the above-referenced bond issue the following:

REQUISITION NUMBER: ____________________

NAME AND ADDRESS OF PAYEE: ____________________________________

____________________________________

____________________________________

____________________________________

AMOUNT: $___________________

PURPOSE FOR WHICH EXPENSE HAS BEEN INCURRED: ____________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

Each obligation, item of cost, or expense mentioned herein has been properly incurred, is a proper charge against the Series 2024 Account of the Acquisition/Construction Fund based upon audited, itemized claims substantiated in support thereof (evidence of such support not herein required by the Trustee), is justly due and owing and constitutes a Cost of a Project and has not been the basis for a previous withdrawal.

Hurricane City, Utah (the "Issuer") has either: (i) deposited with the Trustee its equity contribution pro-rata share of at least 15% (or such other percentage as approved the Board of Water Resources) calculated as a percentage of the overall project costs including the current requisition; or (ii) the Issuer will be reimbursed 85% of the current requisition.

The amount remaining in the Series 2024 Account of the Acquisition/Construction Fund after such disbursement is made, together with the amount of unencumbered Net Revenues, if any, which the Issuer reasonably estimates will be deposited in the Series 2024 Account of the Acquisition/Construction Fund during the period of construction of the Project from the investment of moneys on deposit in the Series 2024 Account of the Acquisition/Construction Fund, will, together with any other moneys lawfully available or expected to be lawfully available for payment of the Cost of the Project and after payment of the amount requested in said requisition, be sufficient to pay the Cost of Completion for the Project in accordance with the plans and specifications therefor then in effect; it being understood that no moneys from the Series 2024 Account of the Acquisition/Construction Fund may be expended unless, after giving effect thereto, the funds remaining in the Series 2024 Account of the Acquisition/Construction Fund, together with such other funds and income and lawfully available moneys, are sufficient to pay the Cost of Completion for the Project.

DATED:________________________ By:__________________________________

Its:__________________________________

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES, BOARD OF WATER RESOURCES

______________________________________

# THIRD SUPPLEMENTAL INDENTURE OF TRUST

Dated as of __________, 2024

by and between

HURRICANE CITY, UTAH

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION

Supplementing the General Indenture of Trust
Dated as of April 1, 2017

**Table of Contents**

**Page**

THIRD SUPPLEMENTAL INDENTURE OF TRUST

This Third Supplemental Indenture of Trust, dated as of __________, 2024, by and between Hurricane City, Utah, a political subdivision, municipal corporation and body politic duly organized and existing under the Constitution and laws of the State of Utah (the "Issuer") and Zions Bancorporation, National Association, a national bank duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts and having its principal office in Salt Lake City, Utah (the "Trustee");

WITNESSETH:

WHEREAS, the Issuer has previously entered into a General Indenture of Trust, dated as of April 1, 2017 (the "General Indenture"), as previously supplemented with the Trustee; and

WHEREAS, the Issuer desires to issue a Series of Bonds to finance all or a portion of the costs of construction of improvements to the Issuer's water system (the "System"), and all related improvements (collectively, the "Series 2024 Project"); and

WHEREAS the Issuer has determined to issue its Water Revenue Bonds, Series 2024 in the aggregate principal amount of $__________ (the "Series 2024 Bonds") in order to (i) finance the Series 2024 Project and (ii) pay the costs of issuance of the Series 2024 Bonds herein authorized; and

WHEREAS, the Series 2024 Bonds will be authorized, issued, and secured under the General Indenture, as previously supplemented, and as further supplemented by this Third Supplemental Indenture of Trust (the "Third Supplemental Indenture," and collectively with the General Indenture, and any amendments thereto or hereto, the "Indenture"); and

WHEREAS, the State of Utah Department of Natural Resources, Board of Water Resources (the "Board of Water Resources") has agreed to purchase the Series 2024 Bonds upon the terms and conditions herein set forth; and

WHEREAS, the execution and delivery of the Series 2024 Bonds and of this Third Supplemental Indenture have in all respects been duly authorized and all things necessary to make the Series 2024 Bonds, when executed by the Issuer and authenticated by the Trustee, the valid and binding legal obligations of the Issuer and to make this Third Supplemental Indenture a valid and binding agreement have been done;

NOW, THEREFORE, THIS THIRD SUPPLEMENTAL INDENTURE OF TRUST WITNESSETH, that to secure the Series 2024 Bonds and all Additional Bonds issued and Outstanding under the Indenture, the payment of the principal or redemption price thereof and interest thereon, the rights of the Registered Owners of the Bonds and of all Reserve Instrument Providers and the performance of all of the covenants contained in such Bonds and herein, and for and in consideration of the mutual covenants herein contained and of the purchase of such Bonds by the Registered Owners thereof from time to time and the issuance of the Reserve Instrument by the Reserve Instrument Provider, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer has executed and delivered this Third Supplemental Indenture, and by these presents does, in confirmation of the General Indenture, as supplemented, hereby sell, assign, transfer, set over and pledge unto Zions Bancorporation, National Association, as Trustee, its successors and trusts and its assigns forever, to the extent provided in the General Indenture, as supplemented, all right, title and interest of the Issuer in and to (i) the Net Revenues (as defined in the General Indenture), (ii) all moneys in funds and accounts held by the Trustee under the General Indenture and hereunder (except the Rebate Fund), and (iii) all other rights granted under the General Indenture and hereinafter granted for the further securing of such Bonds.

TO HAVE AND TO HOLD THE SAME unto the Trustee and its successors in trust hereby created and its and their assigns forever;

IN TRUST, NEVERTHELESS, FIRST, for the equal and ratable benefit and security of all present and future Registered Owners of Bonds without preference, priority, or distinction as to lien or otherwise (except as otherwise specifically provided), of any one Bond over any other Bond, and SECOND, for the equal and proportionate benefit, security, and protection of all Reserve Instrument Providers, without privilege, priority, or distinction as to the lien or otherwise of any Reserve Instrument Repayment Obligation over any of the others by reason of time of issuance, delivery, or expiration thereof or otherwise for any cause whatsoever.

## ARTICLE I

## SUPPLEMENTAL INDENTURE; DEFINITIONS

Section 1.1 Supplemental Indenture. This Third Supplemental Indenture is supplemental to, and is executed in accordance with and pursuant to Articles II and IX of the General Indenture.

Section 1.2 Uniform Definitions. All terms which are defined in the General Indenture shall have the meanings, respectively, herein (including the use thereof in the recitals and the granting clauses thereof) unless expressly given a different meaning or unless the context clearly otherwise requires. All terms used herein which are defined in the recitals hereto shall have the meanings therein given to the same unless the context requires otherwise and, in addition, the following terms shall have the meanings specified below.

Section 1.3 Additional Definitions. In addition, for purposes of the General Indenture and this Third Supplemental Indenture, the following terms shall, unless the context clearly requires otherwise, have the meanings as follows:

"Board of Water Resources" means the State of Utah Department of Natural Resources, Board of Water Resources.

"Debt Service Reserve Requirement" means, with respect to the Series 2024 Bonds, the amount of $[528,000] which shall be funded as provided in Section 4.4 herein.

"Interest Payment Date" means, with respect to the Series 2024 Bonds, each December 1, beginning December 1, 2025.

"Original Issue Date" means, with respect to the Series 2024 Bonds, their initial delivery date.

"Series 2024 Bonds" means the Issuer's Water Revenue Bonds, Series 2024, herein authorized.

"Series 2024 Acquisition/Construction Account" means the account established within the Acquisition/Construction Fund under the General Indenture held in trust by the Trustee, into which the net proceeds of the Series 2024 Bonds shall be deposited as provided herein.

"Series 2024 Debt Service Reserve Account" means the account established within the Debt Service Reserve Fund under the General Indenture held in trust by the Trustee.

"Series 2024 Project" means improvements to the Issuer's System, including the acquisition and installation of secondary water meters, and all related improvements.

## ARTICLE II

## ISSUANCE OF THE SERIES 2024 BONDS

Section 2.1 Principal Amount, Designation and Series. The Series 2024 Bonds are hereby authorized for issuance under the Indenture for the purpose of providing funds to (a) finance the Series 2024 Project and (b) pay costs incurred in connection with the issuance of the Series 2024 Bonds. The Series 2024 Bonds shall be limited to $[12,665,000] in aggregate principal amount, shall be issued (i) if issued as a State Bond, in the form set forth in Exhibit B-1 and (ii) if issued as an Exchange Bond, in the form set forth in Exhibit B-2 in fully registered form. The Series 2024 Bonds shall bear interest from their Original Issue Date at the rate of [0]% per annum on the unpaid principal balance of the Series 2024 Bonds which shall be payable annually commencing December 1, 2025. Bonds shall be in the denomination of $1,000 or any integral multiple thereof. The Series 2024 Bonds shall initially be issued as one fully registered State Bond. The Series 2024 Bonds shall be designated as, and shall be distinguished from the Bonds of all other series by the title, “Hurricane City, Utah, Water Revenue Bonds, Series 2024.”

The Series 2024 Bonds shall be in such form as to permit the Board of Water Resources to make incremental advances on its total loan commitment to the Issuer during the period of acquisition and construction of the Series 2024 Project.

Section 2.2 Date, Payment Dates, and Interest. The Series 2024 Bonds shall be in the denomination of One Thousand Dollars ($1,000) each or any integral multiple thereof and shall be paid as provided in this Section 2.2.

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or by redemption, shall be payable upon presentation of the applicable Series 2024 Bonds at the offices of the Paying Agent for endorsement or surrender, or of any successor Paying Agent.

So long as the Board of Water Resources is the Registered Owner of the Series 2024 Bonds, payments on the Series 2024 Bonds (except in the case of the final principal payment wherein the Series 2024 Bonds must be presented) shall be made by check or draft without presentation of the Series 2024 Bonds and mailed to the Board of Water Resources as the Registered Owner at the address shown on the registration books maintained by the Registrar. Payment on the Series 2024 Bonds shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America.

The Series 2024 Bonds shall be dated as of the Original Issue Date, and shall be payable in installment payments on December 1 in the years and in the amounts and shall bear interest at the rate of [0]% per annum as follows:

| Payment Date (December 1) | Principal Amount |
|---|---|
| 2025 | $[474,000 |
| 2026 | 474,000 |
| 2027 | 474,000 |
| 2028 | 474,000 |
| 2029 | 474,000 |
| 2030 | 475,000 |
| 2031 | 475,000 |
| 2032 | 475,000 |
| 2033 | 475,000 |
| 2034 | 475,000 |
| 2035 | 528,000 |
| 2036 | 528,000 |
| 2037 | 528,000 |
| 2038 | 528,000 |
| 2039 | 528,000 |
| 2040 | 528,000 |
| 2041 | 528,000 |
| 2042 | 528,000 |
| 2043 | 528,000 |
| 2044 | 528,000 |
| 2045 | 528,000 |
| 2046 | 528,000 |
| 2047 | 528,000 |
| 2048 | 528,000 |
| 2049 | 528,000] |

The interest on Series 2024 Bonds so payable, and punctually paid and duly provided for, on any Interest Payment Date will be paid to the Registered Owner thereof at the close of business on the Regular Record Date for such interest. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner of any Series 2024 Bonds on such Regular Record Date, and may be paid to the registered owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof to be given to such registered owner not less than ten days prior to such Special Record Date. The principal of and premium, if any, on the Series 2024 Bonds are payable upon presentation and surrender thereof at the principal corporate trust office of the Trustee. Interest shall be paid by check or draft mailed on each Interest Payment Date to the Holder of each of the Series 2024 Bonds as the name and address of such Holder appears on the Record Date in the Register. As long as the Board of Water Resources is the registered holder of the Series 2024 Bonds, installment payments of principal and interest shall be made without presentation of the Series 2024 Bonds (except in the case of the final principal payment wherein the Series 2024 Bonds must be presented) by check or draft mailed to the Board of Water Resources as the Registered Owner at the address shown on the registration books maintained by the Registrar. Interest on the Series 2024 Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Section 2.3 Delinquent Payment. Payments of principal and/or interest on the Series 2024 Bonds which are delinquent from the due date thereof shall draw interest at the rate of eighteen percent (18%) per annum on the delinquent payment from said due date until paid in full.

Section 2.4 Exchange of State Bonds. As long as the Board of Water Resources is the sole Registered Owner of the Series 2024 Bonds, the Series 2024 Bonds shall be issued only as the State Bonds in the form prescribed in Exhibit B-1. It is recognized that the Board of Water Resources may sell or otherwise transfer the Series 2024 Bonds pursuant to the provisions of the State Financing Consolidation Act, Title 63B, Chapter 1b, Utah Code Annotated 1953, as amended, or otherwise. In the event the Board of Water Resources determines to sell or otherwise transfer all or a portion of the Series 2024 Bonds pursuant to the State Financing Consolidation Act, or otherwise, the State Bonds shall be exchanged at the office of the Paying Agent for a like aggregate principal amount of Exchange Bonds in accordance with the provisions of this Section 2.4. Any Series 2024 Bond, or any portion thereof, which is sold or otherwise transferred or liquidated by the Board of Water Resources pursuant to the State Financing Consolidation Act, or otherwise, shall be in the form of an Exchange Bond prescribed in Exhibit B-2, and shall be executed pursuant to authorization contained in Section 2.6 of the General Indenture. Each principal payment on the State Bonds not previously paid or canceled shall be represented by an equivalent principal amount of Exchange Bonds, in authorized denominations, and of like maturity. The Issuer and its officers shall execute and deliver such documents and perform such acts as may reasonably be required by the Issuer to accomplish the exchange of the State Bonds for Exchange Bonds, provided that the Board of Water Resources shall pay or cause to be paid all costs and other charges incident to such exchange and the Issuer shall have no obligation to pay any such costs or charges.

Section 2.5 Designation of Registrar. Zions Bancorporation, National Association, Salt Lake City, Utah, is hereby designated as Registrar for the Series 2024 Bonds, acceptance of which appointment shall be evidenced by execution of this Third Supplemental Indenture by the Trustee.

Section 2.6 Designation of Paying Agent. Zions Bancorporation, National Association, Salt Lake City, Utah, is hereby designated as Paying Agent for the Series 2024 Bonds, acceptance of which appointment shall be evidenced by execution of this Third Supplemental Indenture by the Trustee.

Section 2.7 Limited Obligation. The Series 2024 Bonds, together with interest thereon, shall be special limited obligations of the Issuer payable solely from the Net Revenues (except to the extent paid out of moneys attributable to the Series 2024 Bond proceeds or other funds created hereunder or under the Indenture (excluding the Rebate Fund) or the income from the temporary investment thereof).

Section 2.8 Optional Redemption and Redemption Prices. Each principal payment of the Series 2024 Bonds is subject to prepayment and redemption at any time, in whole or in part (if in part, in integral multiples of $1,000), at the election of the Issuer, in inverse order of the due dates thereof, and by lot selected by the Issuer if less than all of the State Bonds of a particular due date are to be redeemed, upon notice as provided in Section 2.8 of the General Indenture, and upon at least thirty (30) days' prior written notice of the amount of prepayment and the date scheduled for prepayment to the Board of Water Resources with respect to the State Bonds, and at a redemption price equal to 100% of the principal amount to be prepaid or redeemed, plus accrued interest, if any, to the date of redemption.

Section 2.9 Sale of Series 2024 Bonds. The Series 2024 Bonds are hereby sold to the Board of Water Resources at a purchase price of $[12,665,000].

Section 2.10 Series 2024 Bonds as Additional Bonds. The Series 2024 Bonds are issued as Additional Bonds under Section 2.13 of the General Indenture. The Issuer hereby certifies that the requirements set forth in Section 2.4(c) of the General Indenture have been and will be complied with in connection with the issuance of the Series 2024 Bonds.

## ARTICLE III

## ADDITIONAL COVENANTS

Section 3.1 Additional Covenants with Respect to the Series 2024 Bonds. The Issuer hereby covenants and agrees with the holder of the Series 2024 Bonds issued hereunder the following:

(a) So long as the Series 2024 Bonds remain outstanding, proper books of record and account will be kept by the Issuer separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the System. The Bondholder or any duly authorized agent or agents of such holder shall have the right at all reasonable times to inspect all records, accounts and data relating thereto and to inspect the System and all properties constituting the System. Except as otherwise provided herein, the Issuer further agrees that it will within one hundred eighty (180) days following the close of each fiscal year (the term "fiscal year" as used in this subsection meaning whatever twelve-month period the Issuer may from time to time be using for general financial accounting purposes) cause an audit of such books and accounts to be made by an independent firm of certified public accountants, showing the receipts and disbursements for account of the System, and that such audit will be available for inspection by each Bondholder; provided, however, during such periods of time as the Board of Water Resources is the registered owner of any of the Series 2024 Bonds, each such audit will be supplied to the Board of Water Resources as soon as completed without prior request therefor by the Board of Water Resources. Each such audit, in addition to whatever matters may be thought proper by the accountant to be included therein, shall include the following:

(i) A statement of the income and expenditures of the System for such fiscal year;

(ii) A balance sheet as of the end of such fiscal year;

(iii) Any accountant's comments regarding the manner in which the Issuer has carried out the requirements of this Third Supplemental Indenture, and the accountant's recommendations for any change or improvement in the operation of the System;

(iv) The total billings for such fiscal year; and

(v) All schedules of rates and charges imposed for water service during the fiscal year.

The audit must be performed in accordance with generally accepted government auditing standards.

(b) In addition to the reporting requirements set forth in 3.1(a) above, the Issuer shall submit to the Board of Water Resources within one hundred eighty (180) days following the close of the Issuer's fiscal year, a summary report substantially in the form as provided by the Board of Water Resources to the Issuer upon purchase of the Series 2024 Bonds. The Board of Water Resources may, however, upon written request from the Issuer setting forth the reasons why a certified audit is not necessary or is impractical, waive the audit requirements for any particular fiscal year set forth in this Section 3.1(b).

All expenses incurred in compiling the information required by this section shall be regarded and paid as an Operation and Maintenance Expense. If the holder of the Series 2024 Bonds is other than the Board of Water Resources, the Issuer agrees to furnish a copy of such information to such Bondholder at its request after the close of each fiscal year. Any Bondholder shall have the right to discuss with the accountant compiling such information the contents thereof and to ask for such additional information as it may reasonably require.

(c) The Issuer shall commence and complete the acquisition and construction of the Series 2024 Project with all practical dispatch and will cause all construction to be effected in a sound and economical manner.

(d) Any bill not paid within thirty (30) days from the date it is mailed to the customer shall be deemed delinquent. The Issuer hereby agrees that if any water bill remains delinquent for more than sixty (60) days, it will initiate proceedings to cause all water service to the water user concerned to be cut off immediately.

(e) The Issuer will maintain its corporate identity, will make no attempt to cause its corporate existence to be abolished and will resist all attempts by other municipal corporations to annex all or any part of the territory now or hereafter in the Issuer or served by the System.

Section 3.2 Tax Matters.

(a) The Issuer shall make no investment or other use of the proceeds of the Series 2024 Bonds at any time during the term thereof which, if such investment or other use had been reasonably expected on the date the Series 2024 Bonds is issued, would have caused the Series 2024 Bonds to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, (the "Code") and the regulations promulgated thereunder and shall comply with all the requirements thereof throughout the term of the Series 2024 Bonds.

(b) The Mayor and the City Recorder of the Issuer are hereby authorized and directed to execute such certificates as shall be necessary to establish that the Series 2024 Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code and the Treasury Regulations promulgated or proposed with respect thereto, as the same currently exist, or may from time to time hereafter be amended, supplemented or revised. The Issuer covenants and certifies to and for the benefit of the Registered Owners that no use will be made of the proceeds of the issue and sale of the Series 2024 Bonds, or any funds or accounts of the Issuer which may be deemed to be gross proceeds of the Series 2024 Bonds, which use, if it had been reasonably expected on the date of issuance of the Series 2024 Bonds, would have caused the Series 2024 Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code. Pursuant to this covenant, the Issuer obligates itself to comply throughout the term of the Series 2024 Bonds with the requirements of Sections 103 and 141 through 150 of the Code and the regulations proposed or promulgated with respect thereto. The Issuer further represents and covenants that no bonds or other evidences of indebtedness of the Issuer have been or will be issued, sold, or delivered within a period beginning fifteen (15) days prior to the sale of the Series 2024 Bonds and ending fifteen (15) days following the delivery of the Series 2024 Bonds.

## ARTICLE IV

## APPLICATION OF PROCEEDS AND FUNDS AND ACCOUNTS

Section 4.1 Creation of Series 2024 Accounts. There is hereby established with the Trustee the following accounts:

(a) a Series 2024 Acquisition/Construction Account within the Acquisition/Construction Fund; and

(b) a Series 2024 Debt Service Reserve Account within the Debt Service Reserve Fund.

Section 4.2 Application of Proceeds of the Series 2024 Bonds. The Issuer shall deposit with the Trustee the proceeds of the Series 2024 Bonds when advanced pursuant to [Section 3.3 herein], and the Trustee shall deposit said proceeds into the Series 2024 Acquisition/Construction Account held by the Trustee under the General Indenture. At closing, the payment of $__________, which constitutes the initial advance of the total principal amount of the Series 2024 Bonds, of the proceeds from the sale of the Series 2024 Bonds, together with an Issuer contribution in the amount of $[2,235,000] shall be deposited in the Series 2024 Acquisition/Construction Account within the Acquisition/Construction Fund.

Section 4.3 Series 2024 Acquisition/Construction Account. Disbursements of moneys in the Series 2024 Acquisition/Construction Account shall be made in accordance with the terms of Section 5.1 of the General Indenture. Each requisition from said Series 2024 Acquisition/Construction Account shall be approved by a qualified representative of the Board of Water Resources, provided, however, that the Costs of Issuance shall be paid by the Trustee from the Series 2024 Acquisition/Construction Account upon receipt from the Issuer of an executed Cost of Issuance Disbursement Request in substantially the form of Exhibit C attached hereto.

Section 4.4 Series 2024 Debt Service Reserve Account. From and after the delivery date of the Series 2024 Bonds, the Issuer shall allocate in no more than [ten annual] installments to be paid on December 1 of each year, commencing December 1, 2025, to the Series 2024 Debt Service Reserve Account, until there shall have been accumulated therein an amount equal to $[528,000], the Debt Service Reserve Requirement with respect to the Series 2024 Bonds. The moneys on deposit in the Series 2024 Debt Service Reserve Account shall be used and when used, replenished, in accordance with the provisions of the General Indenture.

## ARTICLE V

## MISCELLANEOUS

Section 5.1 Confirmation of Sale of Series 2024 Bonds. The sale of the Series 2024 Bonds to the Board of Water Resources at a price of $[12,665,000] is hereby ratified, confirmed, and approved.

Section 5.2 Severability. If any provision of this Third Supplemental Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or sections in this Third Supplemental Indenture contained, shall not affect the remaining portions of this Third Supplemental Indenture, or any part thereof.

Section 5.3 Counterparts. This Third Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.4 Applicable Law. This Third Supplemental Indenture shall be governed exclusively by the applicable laws of the State of Utah.

Section 5.5 Effective Date. This Third Supplemental Indenture shall become effective immediately upon execution.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Third Supplemental Indenture of Trust to be executed as of the date first written above.

HURRICANE CITY, UTAH

(SEAL)

By:____________________________________

Mayor

COUNTERSIGN:

By:__________________________________

City Recorder

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, as Trustee

By:____________________________________

Title:___________________________________

<u>EXHIBIT A</u>

DESCRIPTION OF SERIES 2024 PROJECT

Improvements to the Issuer's water system (the "System"), and all related improvements.

EXHIBIT B-1

FORM OF STATE BONDS—SERIES 2024 BOND

UNITED STATES OF AMERICA
STATE OF UTAH
HURRICANE CITY
WATER REVENUE BOND, SERIES 2024

Number R - 1 $__________

| Interest Rate | Maturity Date | Original Issue Date |
| --- | --- | --- |

Registered Owner: ________________________________________

Principal Amount: ________________________________________

Hurricane City, Utah ("Issuer"), a political subdivision, municipal corporation and body politic duly organized and existing under the Constitution and laws of the State of Utah, for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner named above or registered assigns, out of the special fund hereinbelow designated and not otherwise, the Principal Amount specified above in installments set forth herein with interest thereon until paid at the Interest Rate per annum specified above, payable annually on December 1 of each year, until the Total Principal Sum set forth in the "Certificate of Dates of Payment and Amount" at the end of this Bond, but in no event more than the maximum amount of $__________, is paid in full. Principal and premium, if any, shall be payable upon surrender of this Bond at the principal offices of Zions Bancorporation, National Association, One South Main Street, 12th Floor, Salt Lake City, Utah ("Trustee" and "Paying Agent"), or its successors provided, however, that as long as the State of Utah Department of Natural Resources, Board of Water Resources ("Board of Water Resources") is the registered holder of this Bond, installment payments of principal and interest shall be made without presentation of the Bond (except in the case of the final principal payment wherein the Series 2024 Bonds must be presented) by check or draft mailed to the Board of Water Resources as the Registered Owner at the address shown on the registration books maintained by the Registrar. Interest on this Bond shall be payable by check or draft mailed to the Registered Owner hereof at the address as it appears on the registration books of the Paying Agent, who shall also act as the Registrar for the Issuer, or at such other address as is furnished to the Paying Agent in writing by such Registered Owner. Interest hereon shall be deemed to be paid by the Paying Agent when mailed. Both principal and interest shall be payable in lawful money of the United States of America. Principal shall be payable in registered installments on December 1 of each of the years as set forth in the following repayment schedule:

| Payment Date (December 1) | Principal Amount |
| --- | --- |

If less than $__________ is advanced on the Series 2024 Bonds, the repayment period shall be shortened and the number of annual principal installments shall be reduced in inverse order of payment (and the amount of the final remaining principal payment shall be reduced, if required) to correspond to the maximum principal amount of the Series 2024 Bonds.

If any installment payment of Bond principal and interest is not paid when due and payable, the Issuer shall pay interest at the rate of eighteen percent (18%) per annum on the delinquent installment from said due date until paid. All payments shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America.

This Bond is payable solely from a special fund designated the "Bond Fund" established under a General Indenture of Trust dated April 1, 2017 (the "General Indenture"), as previously supplemented, by and between the Issuer and Zions Bancorporation, National Association, as trustee (the "Trustee"). To the extent necessary to assure prompt payment of this Bond, the Issuer shall pledge 100% of the Net Revenues (as defined in the Indenture herein described) in the Bond Fund derived and to be derived from the operation of the Issuer's water system (the "System"), all as more fully described and provided in the General Indenture, as previously supplemented, and as further supplemented by a Third Supplemental Indenture of Trust dated as of __________, 2024 (the "Third Supplemental Indenture"), by and between the Issuer and the Trustee and approved by the City Council of the Issuer on June 20, 2024 (the General Indenture and Third Supplemental Indenture are collectively referred to herein as the "Indenture").

This Bond is issued pursuant to (1) the Indenture and (2) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act") for the purpose of purpose of providing funds to (a) finance the Series 2024 Project (as defined in the Third Supplemental Indenture) and (b) pay costs incurred in connection with the issuance of the Series 2024 Bonds. This Bond is a special limited obligation of the Issuer payable solely from the Net

Revenues (as defined in the Indenture) of the System and does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Revenues of the System.

As provided in the Indenture, bonds, notes and other obligations may be issued from time to time in one or more series in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture, and the aggregate principal amount of such bonds, notes and other obligations which may be issued is not limited. This Bond and all other bonds, notes and other obligations issued and to be issued under the Indenture on a parity with this Bond are and will be equally and ratably secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in or pursuant to the Indenture.

The issuance of this Bond shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for its payment.

This Bond is subject to prepayment and redemption at any time, in whole or in part (if in part, in integral multiples of $1,000), at the election of the Issuer in inverse order of the due date of the principal installments hereof and by lot selected by the Issuer if less than all Bonds of a particular due date are to be redeemed, upon notice given as hereinafter set forth, at a redemption price equal to the principal amount to be so prepaid.

Notice of redemption shall be mailed by the Trustee, postage prepaid, not less than thirty (30) days prior to the date fixed for prepayment, to the registered owner of this Bond addressed to such owner at its address appearing on the registration books maintained by the Trustee.

Subject to the provisions of the Indenture, the Bonds are issuable in fully registered form, without coupons, in denomination equal to the principal amount of the bonds or, upon exchange, in the denomination of $1,000 and any integral multiple thereof.

The Issuer covenants and agrees that it will fix rates for water service sufficient to pay when due this Bond and the principal and interest on all bonds issued on a priority to or parity with this Bond, if any, as the same fall due, provided such rates must be reasonable rates for the type, kind and character of the service rendered, and will collect and account for the Revenues (as defined in the Indenture) to be received for such service, and will set aside one hundred percent (100%) of the Net Revenues of the System (as defined in the Indenture) to pay this Bond according to the payment terms hereinabove set forth and the principal and interest on all bonds issued on a parity with this Bond, if any.

To the extent and in the respects permitted by the Indenture, the Indenture may be modified or amended by action on behalf of the Issuer taken in the manner and subject to the conditions and exceptions prescribed in the Indenture. The holder or owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the pledge or covenants made therein or to take any action with respect to an event of default under the Indenture or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

This Bond shall be registered in the name of the initial purchaser and any subsequent purchasers in an appropriate book in the office of the Trustee, who shall be the Registrar. This Bond is transferable only by notation upon said book by the registered owner hereof in person or by his attorney duly authorized in writing, by the surrender of this Bond, together with a written instrument of transfer satisfactory to the Issuer, duly executed by the registered owner or his attorney duly authorized in writing; thereupon, this Bond shall be delivered to and registered in the name of the transferee.

It is hereby declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in regular and due time, form and manner as required by law, that the amount of this Bond does not exceed any limitation prescribed by the Constitution or statutes of the State of Utah, that the Net Revenues (as defined in the Indenture) to be derived from the operation of the System have been pledged and that an amount therefrom will be set aside into a special fund by the Issuer sufficient for the prompt payment of this Bond, and all bonds and notes issued on a parity with this Bond, if any, and that said Net Revenues are not pledged, hypothecated or anticipated in any way other than by the issue of this Bond and all bonds and notes issued on a parity with this Bond, if any.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication on this Bond shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by its Mayor and countersigned by its City Recorder with the seal of said Issuer affixed, all as of this __________, 2024.

HURRICANE CITY, UTAH

(SEAL)

By: (Do Not Sign)
Mayor

COUNTERSIGN:

By: (Do Not Sign)
City Recorder

CERTIFICATE OF AUTHENTICATION

This Bond is the Series 2024 Bond described in the within mentioned Indenture.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, as Trustee

By: ______________________________
Authorized Officer

Date of Authentication:

______________________________

REGISTRATION CERTIFICATE

(No writing to be placed herein except by the Bond Registrar)

| Date of Registration | Name of Registered Owner | Signature of Bond Registrar |
|---|---|---|
| ___________________ | State of Utah Department of Natural Resources, Board of Water Resources | ___________________ |
| ___________________ | ___________________ | ___________________ |
| ___________________ | ___________________ | ___________________ |
| ___________________ | ___________________ | ___________________ |
| ___________________ | ___________________ | ___________________ |

CERTIFICATE OF DATES OF PAYMENT AND AMOUNT

The undersigned authorized representative of the State of Utah Department of Natural Resources, Board of Water Resources (the "Board of Water Resources"), hereby certifies that the Board has received written authorization from the City Recorder or City Administrator of the Issuer to stamp or write the amount or amounts indicated below on the date or dates set forth opposite such amount(s); that the amount last inserted under the column "Total Principal Sum" is the total amount received by the issuer for the issuance of this Bond, and that the undersigned has placed his/her signature in the space provided opposite such amount(s) to evidence the same. A copy of this certificate shall be forwarded to the Trustee (Zions Bancorporation, National Association) pursuant to the requirement in Section 2.2 of the Third Supplemental Indenture dated as of __________, 2024.

| Amount of Payment | Date of Payment | Total Principal Sum | Board Representative Signature |
|---|---|---|---|
| $___________ | ________ | $___________ | ______________________________ |
| $___________ | ________ | $___________ | ______________________________ |
| $___________ | ________ | $___________ | ______________________________ |
| $___________ | ________ | $___________ | ______________________________ |
| $___________ | ________ | $___________ | ______________________________ |
| $___________ | ________ | $___________ | ______________________________ |
| $___________ | ________ | $___________ | ______________________________ |
| $___________ | ________ | $___________ | ______________________________ |
| $___________ | ________ | $___________ | ______________________________ |
| $___________ | ________ | $___________ | ______________________________ |
| $___________ | ________ | $___________ | ______________________________ |
| $___________ | ________ | $___________ | ______________________________ |

EXHIBIT B-2

FORM OF EXCHANGE BONDS—SERIES 2024

UNITED STATES OF AMERICA
STATE OF UTAH
HURRICANE CITY
WATER REVENUE BONDS, SERIES 2024

| Interest Rate | Maturity Date | Issue Date |
|---|---|---|
| % | ____________ | __________, 2024 |

Registered Owner: ____________________________________________________________

Principal Amount: ________________________________________________ DOLLARS

Hurricane City, Utah (the "Issuer"), a political subdivision, municipal corporation and body politic of the State of Utah, acknowledges itself indebted and for value received hereby promises to pay, but solely in the manner and from the revenues and sources hereinafter provided, to the Registered Owner identified above, or registered assigns, on the Maturity Date specified above, upon presentation and surrender thereof, the Principal Amount identified above. Interest on the Principal Amount shall be payable by check or draft mailed by __________ (the "Paying Agent") to the Registered Owner hereof on each ___________, commencing ___________, 20__. Principal, interest, and redemption price of this Bond shall be payable upon presentation of this Bond to the Paying Agent, for payment at maturity.

If any installment payment of Bond principal and interest is not paid when due and payable, the Issuer shall pay interest at the rate of eighteen percent (18%) per annum on the delinquent installment from said due date until paid. All payments shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America

This Bond is one of an authorized issue of bonds of like date, term and effect except as to maturity, in the aggregate principal amount of ________________________ Dollars ($__________), issued in exchange for the conversion of the Issuer's Water Revenue Bonds, Series 2024 in the total principal sum of $___________ authorized by a General Indenture of Trust dated as of April 1, 2017, as previously supplemented and as further supplemented by a Third Supplemental Indenture of Trust dated as of __________, 2024 (together, the "Indenture"), as authorized by a resolution of the Issuer adopted on June 20, 2024. This Bond and the issue of Bonds of which it is a part is issued pursuant to (1) the Indenture and (2) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act") to (a) finance the Series 2024 Project, as defined in the Indenture, and (b) pay costs incurred in connection with the issuance of the Series 2024 Bonds. This Bond is a special limited obligation of the Issuer payable solely from the Net Revenues (as defined in the Indenture) of the System and does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Revenues of the System.

As provided in the Indenture, bonds, notes and other obligations may be issued from time to time in one or more series in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture, and the aggregate principal amount of such bonds, notes and other obligations which may be issued is not limited. This Bond and all other bonds, notes and other obligations issued and to be issued under the Indenture on a parity with this Bond are and will be equally and ratably secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in or pursuant to the Indenture.

The issuance of this Bond shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for its payment.

The Bonds are subject to redemption prior to maturity at any time, in whole or in part (if in part, in integral multiples of $1,000), at the election of the Issuer in inverse order of maturity and by lot within each maturity if less than the full amount is redeemed, upon not less than thirty (30) days' nor more than sixty (60) days' prior notice, at a redemption price equal to 100% of the principal amount of each Bond to be redeemed. Notice of redemption shall be mailed by the Issuer, postage prepaid, to the registered owners of said Bonds addressed to such owners at their address appearing on the registration books maintained by the Issuer.

Subject to the provisions of the Indenture, the Series 2024 Bonds are issuable in fully registered form, without coupons, in denomination equal to the principal amount of the bonds or, upon exchange, in the denomination of $1,000 or any integral multiple thereof.

The Issuer covenants and agrees that it will fix rates for water service sufficient to pay this Bond when due, and principal and interest on all bonds and Bonds issued on a priority to or parity with this Bond, if any, as the same fall due, provided such rates must be reasonable rates for the type, kind and character of the service rendered, and will collect and account for the Revenues (as defined in the Indenture) to be received for such service, and will set aside one hundred percent (100%) of the Net Revenues of the System (as defined in the Indenture) to pay this Bond according to the payment terms hereinabove set forth and the principal and interest on all bonds and notes issued on a parity with this Bond, if any.

To the extent and in the respects permitted by the Indenture, the Indenture may be modified or amended by action on behalf of the Issuer taken in the manner and subject to the conditions and exceptions prescribed in the Indenture. The Registered Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the pledge or covenants made therein or to take any action with respect to an event of default under the Indenture or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

This Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the office of the Trustee (the "Registrar") but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

It is hereby certified, recited and declared that all conditions, acts and things essential to the validity of this Bond and the issue of which it forms a part do exist, have happened and have been done, and that every requirement of law affecting the issue hereof has been duly complied with; that this Bond and the issue of which it forms a part does not exceed any limitation prescribed by the Constitution and laws of the State of Utah; that one hundred percent (100%) of the Net Revenues to be derived from the operation of the System, including any future improvements, additions and extensions thereto, have been pledged and will be set aside into said special fund by the Issuer to be used for the payment of this Bond and the issue of which it forms a part, and all bonds and notes issued on a parity with this Bond, if any, and that said Net Revenues of the System are not pledged, hypothecated or anticipated in any way other than by the issue of Series 2024 Bonds of which this Bond is one and all bonds and notes issued on a parity with this Bond, if any.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication on this Bond shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by its Mayor and countersigned by its City Recorder with the seal of said Issuer affixed, all as of __________, 2024.

(SEAL)

By: /s/(manual or facsimile signature)
Mayor

COUNTERSIGN:

By: /s/(manual or facsimile signature)
City Recorder

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2024 Bonds described in the within mentioned Indenture.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, as Trustee

By:______________________________
Authorized Officer

Date of Authentication:

__________________________________

REGISTRATION CERTIFICATE

(No writing to be placed herein except by the Bond Registrar)

This Bond shall be payable only to the order of the registered owner or his legal representative.

| Date of Registration | Name of Registered Owner | Signature of Bond Registrar |
|---|---|---|
| | | |
| | | |
| | | |
| | | |
| | | |

ASSIGNMENT

FOR VALUE RECEIVED, ______________________________________, the undersigned sells, assigns, and transfers unto:

_________________________________________________________________________
(Social Security or Other Identifying Number of Assignee)

_________________________________________________________________________
(Please Print or Typewrite Name and Address of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints ______________________________ attorney for registration thereof, with full power of substitution in the premises.

DATED:_______________________

Signature:____________________________

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular without alteration or enlargement or any change whatever.

Signature Guaranteed:

____________________________________

NOTICE: Signature(s) must be guaranteed by an "eligible guarantor institution" that is a member of or a participant in a "signature guarantee program" (e.g., the Securities Transfer Agents Medallion Program, the Stock Exchange Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program).

EXHIBIT C

COST OF ISSUANCE DISBURSEMENT REQUEST
SERIES 2024 BONDS

Zions Bancorporation, National Association
One South Main Street, 12th Floor
Salt Lake City UT 84133

Pursuant to Section 4.3 of the Third Supplemental Indenture of Trust dated as of __________, 2024, you are hereby authorized to pay to the following costs of issuance from the Series 2024 Acquisition/Construction Account:

[See Attached Schedule]

______________________________________
MAYOR,
HURRICANE CITY, UTAH

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES, BOARD OF WATER RESOURCES

______________________________________

COSTS OF ISSUANCE

| Payee | Purpose | Amount |
|---|---|---|

EXHIBIT D

FORM OF REQUISITION

Re: Hurricane City, Utah, Water Revenue Bonds, Series 2024 in the sum of $__________

Zions Bancorporation, National Association
One South Main Street, 12th Floor
Salt Lake City, Utah 84133

You are hereby authorized to disburse from the Series 2024 Account of the Acquisition/Construction Fund with regard to the above-referenced bond issue the following:

REQUISITION NUMBER: ____________________

NAME AND ADDRESS OF PAYEE: ____________________________________

____________________________________

____________________________________

____________________________________

AMOUNT: $___________________

PURPOSE FOR WHICH EXPENSE HAS BEEN INCURRED: ____________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

Each obligation, item of cost, or expense mentioned herein has been properly incurred, is a proper charge against the Series 2024 Account of the Acquisition/Construction Fund based upon audited, itemized claims substantiated in support thereof (evidence of such support not herein required by the Trustee), is justly due and owing and constitutes a Cost of a Project and has not been the basis for a previous withdrawal.

Hurricane City, Utah (the "Issuer") has either: (i) deposited with the Trustee its equity contribution pro-rata share of at least 15% (or such other percentage as approved the Board of Water Resources) calculated as a percentage of the overall project costs including the current requisition; or (ii) the Issuer will be reimbursed 85% of the current requisition.

The amount remaining in the Series 2024 Account of the Acquisition/Construction Fund after such disbursement is made, together with the amount of unencumbered Net Revenues, if any, which the Issuer reasonably estimates will be deposited in the Series 2024 Account of the Acquisition/Construction Fund during the period of construction of the Project from the investment of moneys on deposit in the Series 2024 Account of the Acquisition/Construction Fund, will, together with any other moneys lawfully available or expected to be lawfully available for payment of the Cost of the Project and after payment of the amount requested in said requisition, be sufficient to pay the Cost of Completion for the Project in accordance with the plans and specifications therefor then in effect; it being understood that no moneys from the Series 2024 Account of the Acquisition/Construction Fund may be expended unless, after giving effect thereto, the funds remaining in the Series 2024 Account of the Acquisition/Construction Fund, together with such other funds and income and lawfully available moneys, are sufficient to pay the Cost of Completion for the Project.

DATED:________________________ By:__________________________________

Its:__________________________________

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES, BOARD OF WATER RESOURCES

______________________________________

BOND PURCHASE AGREEMENT

$___________
HURRICANE CITY, UTAH
WATER REVENUE BONDS
SERIES 2024

___________, 2024

Hurricane City
[ADDRESS]

The undersigned, [PURCHASER], its successors and assigns, (collectively, the "Purchaser"), offers to purchase from Hurricane City, Utah (the "Issuer"), all (but not less than all) of the $___________ Water Revenue Bonds, Series 2024 of the Issuer (the "Bonds") for the par amount thereof with delivery and payment at the offices of Gilmore & Bell, P.C. in Salt Lake City, Utah, based upon the covenants, representations, and warranties set forth below. This offer is made subject to your acceptance of this Bond Purchase Agreement (the "Purchase Agreement") on or before 11:59 p.m., Utah time, on the date hereof.

1. Upon the terms and conditions and upon the basis of the representations set forth herein, the Purchaser hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Purchaser, the Bonds. Exhibit A, which is hereby incorporated by reference into this Purchase Agreement, contains a brief description of the Bonds, the manner of their issuance, the purchase price to be paid, and the expected date of delivery and payment therefor (the "Closing").

2. You represent and covenant to the Purchaser that (a) you have and will have at the Closing the power and authority to: (i) adopt, upon recommendation by the City Council of the Issuer (the "Council") pursuant to the Council's Resolution dated June 20, 2024 (the "Resolution"), (ii) execute and enter into the General Indenture of Trust dated as of April 1, 2017, as previously supplemented and as further supplemented by a Third Supplemental Indenture of Trust, dated as of __________ 1, 2024, (together the "Indenture"), each between you and Zions Bancorporation, National Association, as trustee (the "Trustee"), (iii) enter into and perform this Purchase Agreement, dated as of ___________, 2024 (the "Purchase Agreement"), and (iv) deliver and sell the Bonds to the Purchaser; (b) this Purchase Agreement, the Indenture, and the Bonds do not and will not conflict with or create a breach or default under the Resolution or any existing law, regulation, order, or agreement to which the Issuer is subject; (c) other than the Resolution, no governmental approval or authorization is required in connection with the execution and delivery of the Indenture; (d) the Resolution and the Bonds are and shall be at the time of the Closing legal, valid, and binding obligations of the Issuer enforceable in accordance with their respective terms, subject only to applicable bankruptcy, insolvency, or other similar laws generally affecting creditors' rights; and (e) there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, public board, or body, pending or, to the knowledge of

the Issuer, threatened against or affecting the Issuer or affecting the corporate existence of the Issuer or the titles of its officers to their respective offices or seeking to prohibit, restrain, or enjoin the sale, issuance, or delivery of the Bonds or in any way contesting or affecting the transactions contemplated hereby or the validity or enforceability of the Bonds, the Indenture, the Resolution, or this Purchase Agreement, or contesting the powers of the Issuer or any authority for the issuance, sale and delivery of the Bonds, or the adoption, execution, and delivery of the Resolution, the Indenture or this Purchase Agreement.

3. As conditions to the Purchaser's obligations hereunder:

(a) From June 30, 2023 to the date of Closing, there shall not have been any (i) material adverse change in the financial condition or general affairs of the Issuer and its System (as defined in the Indenture); (ii) event, court decision, proposed law, or rule which may have the effect of changing the federal income tax incidents of the Bonds or the interest thereon or the contemplated transaction; or (iii) international or national crisis, suspension of stock exchange trading, or banking moratorium materially affecting in an adverse way, in the Purchaser's opinion, the market price of the Bonds.

(b) At the Closing, the Issuer will deliver or make available to the Purchaser:

(i) The Bonds, in definitive form, duly executed and registered;

(ii) The Indenture in final form, duly executed and delivered;

(iii) A certificate from authorized officers of the Issuer, in form and substance acceptable to the Purchaser, to the effect that the representations and information of the Issuer contained in this Purchase Agreement are true and correct when made and as of the Closing as if made as of the time of the Closing;

(iv) The approving opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, satisfactory to the Purchaser dated the date of Closing, relating to the legality and validity of the Bonds and the excludability of interest on the Bonds from gross income of the holders thereof for federal and State of Utah income tax purposes;

(v) The opinion of legal counsel to the Issuer, satisfactory to the Purchaser dated the date of Closing; and

(vi) Such additional certificates, instruments, and other documents as the Purchaser may deem necessary with respect to the issuance and sale of the Bonds, all in form and substance satisfactory to the Purchaser.

4. The Issuer will pay the cost of the fees and disbursements of counsel to the Issuer, and of Bond Counsel, Trustee fees and Municipal Advisor's fees.

5. This Purchase Agreement is intended to benefit only the parties hereto, and the Issuer's representations and warranties shall survive any investigation made by or for the Purchaser, delivery, and payment for the Bonds, and the termination of this Purchase Agreement.

6. This Purchase Agreement shall be governed by the laws of the State of Utah.

7. This Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. This Purchase Agreement shall become effective upon the execution by the parties hereto.

Sincerely,

[PURCHASER]

By:_________________________________

HURRICANE CITY, UTAH

By: _________________________________
Mayor

ATTEST AND COUNTERSIGN:

By: _________________________________
City Recorder

(SEAL)

EXHIBIT A

DESCRIPTION OF BONDS

| | | |
|---|---|---|
| 1. | Issue Size: | $___________ |
| 2. | Purchase Price: | $___________ |
| 3. | Accrued Interest: | $[-0-] |
| 4. | Interest Payment Dates: | __________ and __________, beginning __________, 20___ |
| 5. | Dated Date: | Date of delivery |
| 6. | Form: | Registered Bonds |
| 7. | Closing Date: | ___________, 2024 or as otherwise agreed upon |

8. Redemption: The Bonds are subject to optional redemption as provided in the Indenture.

MATURITY SCHEDULE

| Maturity ([December 1]) | Principal Amount | Interest Rate |
|---|---|---|

Hurricane, Utah

June 20, 2024

The City Council (the "Council") of Hurricane City, Utah (the "City") met in regular public session at the regular meeting place of the Council, on Thursday, June 20, 2024, at the hour of 6:00 p.m., with the following members of the Council being present:

| | |
|---|---|
| Nanette Billings | Mayor |
| David Hirschi | Councilmember |
| Kevin Thomas | Councilmember |
| Clark Fawcett | Councilmember |
| Drew Ellerman | Councilmember |
| Joseph Prete | Councilmember |

Also present:

| | |
|---|---|
| Kaden Demille | City Manager |
| Cindy Beteag | City Recorder |

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the City Recorder presented to the Council a Certificate of Compliance with Open Meeting Law with respect to this June 20, 2024, meeting, a copy of which is attached hereto as Exhibit A.

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

AYE:

NAY:

The resolution is as follows:

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF HURRICANE CITY, UTAH (THE "CITY"), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN $14,000,000 AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2024 (TO BE ISSUED IN ONE OR MORE SERIES AND WITH SUCH OTHER SERIES OR TITLE AS MAY BE DETERMINED) (THE "BONDS"); FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE CITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PROVIDING FOR THE POSTING OF A NOTICE OF PUBLIC HEARING AND A NOTICE OF BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD AND SETTING OF A PUBLIC HEARING DATE; AUTHORIZING AND APPROVING THE EXECUTION OF A THIRD SUPPLEMENTAL INDENTURE OF TRUST, A BOND PURCHASE AGREEMENT, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the City Council (the "Council") of Hurricane City, Utah (the "City") desires to (a) finance all or a portion of the costs of construction of improvements to its water system (the "System"), and all related improvements (collectively, the "Project") and (b) pay costs of issuance with respect to the Bonds herein described; and

WHEREAS, to accomplish the purposes set forth in the preceding recital, and subject to the limitations set forth herein, the City desires to issue its Water Revenue Bonds, Series 2024 (to be issued from time to time as one or more series and with such other series or title designation(s) as may be determined by the City) (collectively, the "Bonds"), pursuant to (a) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act"), (b) this Resolution, and (c) a General Indenture of Trust (the "General Indenture") dated as of April 1, 2017, as previously supplemented and as further supplemented by a Third Supplemental Indenture of Trust (the "Third Supplemental" and together with the General Indenture, the "Indenture"), each by and between the City and Zions Bancorporation, National Association (the "Trustee"), in substantially the form presented to the meeting at which this Resolution was adopted and which is attached hereto as Exhibit B; and

WHEREAS, the City Council desires to approve and authorize the preparation and use of a Bond Purchase Agreement, if needed (the "Bond Purchase Agreement") to be entered into between the Issuer and a purchaser or purchasers selected by the Issuer for one or more series of the Series 2024 Bonds, in substantially the form attached hereto as Exhibit C; and

WHEREAS, the State of Utah Department of Natural Resources, Board of Water Resources (the "Board of Water Resources~~" or "Purchaser~~") has offered to purchase a portion of the Bonds; and

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

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

WHEREAS, in order to allow the City flexibility in establishing the date of the public hearing and setting the pricing date of the Bonds to optimize debt service costs to the City, the Council desires to grant to any one of the City Manager or the Mayor (or Mayor Pro Tem) (each a "Designated Officer"), the authority to (a) approve the principal amounts, interest rates, terms, maturities, redemption features, and purchase price at which the Bonds shall be sold, (b) make any changes with respect thereto from those terms which were before the Council at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the "Parameters"), and (c) establish the public hearing date with respect to the issuance of the Bonds;

NOW, THEREFORE, it is hereby resolved by the City Council of Hurricane City, Utah, as follows:

Section 1. For the purpose of (a) financing the Project and (b) paying costs of issuance of the Bonds, the City hereby authorizes the issuance of the Bonds which shall be designated "Hurricane City, Utah Water Revenue Bonds, Series 2024" (to be issued from time to time as one or more series and with such other series or title designation(s) as may be determined by the City) in the aggregate principal amount of not to exceed Fourteen Million Dollars ($14,000,000). The Bonds shall mature in not more than twenty-six (26) years from their date or dates, shall be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, shall bear interest at a rate or rates of not to exceed five and one half percent (5.50%) per annum, as shall be approved by the Designated Officer, all within the Parameters set forth herein.

Section 2. The Designated Officers are hereby authorized to specify and agree as to the method of sale, the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Bonds for and on behalf of the City, provided that such terms are within the Parameters set by this Resolution and to establish the public hearing date with respect to the issuance of the Bonds.

Section 3. The Third Supplemental Indenture and the Bond Purchase Agreement in substantially the ~~form~~forms presented to this meeting and attached hereto as Exhibit B ~~is~~and Exhibit C, respectively, are hereby authorized, approved, and confirmed. The Mayor or Vice Mayor and City Recorder are hereby authorized to execute and deliver the Third Supplemental

Indenture and Bond Purchase Agreement in substantially the ~~form~~forms and with substantially the content as the ~~form~~forms presented at this meeting for and on behalf of the City, with final terms as may be established by the Designated Officers within the Parameters set forth herein, and with such alterations, changes or additions as may be necessary or as may be authorized by Section 4 hereof.

Section 4. The Designated Officers or other appropriate officials of the City are authorized to make any alterations, changes or additions to the Third Supplemental Indenture, the Bond Purchase Agreement, the Bonds or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Bonds (within the Parameters set by this Resolution), to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Council or the provisions of the laws of the State of Utah or the United States.

Section 5. The form, terms, and provisions of the Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Mayor or Mayor Pro Tem and the City Recorder are hereby authorized and directed to execute and seal the Bonds. The signatures of the Mayor or Mayor Pro Tem and the City Recorder may be by facsimile or manual execution.

Section 6. The Designated Officers or other appropriate officials of the City are hereby authorized and directed to authenticate and deliver the Bonds in accordance with the provisions of the Indenture.

Section 7. Upon their issuance, the Bonds will constitute special limited obligations of the City payable solely from and to the extent of the sources set forth in the Bonds and the Indenture. No provision of this Resolution, the Indenture, the Bonds, or any other instrument, shall be construed as creating a general obligation of the City, or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the City or its taxing powers.

Section 8. The Designated Officers and other appropriate officials of the City, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the City any or all additional certificates, documents and other papers (including, without limitation, any escrow agreement permitted under the Indenture and tax compliance procedures) and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 9. After the Bonds are delivered to the ~~Purchaser~~purchaser or purchasers and upon receipt of payment therefor, this Resolution shall be and remain irrepealable until the principal of, premium, if any, and interest on the Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 10. The City shall hold a public hearing on July 18, 2024 at 6:00 p.m., to receive input from the public with respect to (a) the issuance of the Bonds, and (b) the potential economic impact that the improvements to be financed with the proceeds of the Bonds will have on the private sector, which hearing date shall not be less than fourteen (14) days after notice of the public hearing is posted as a Class A notice under Section 63G-30-102 (i) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, (ii) on the City's official website, and (iii) in a public location within the City that is reasonably likely to be seen by residents of the City. The City Recorder shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in City's offices, for public examination during the regular business hours of the City until at least thirty (30) days from and after the date of publication thereof. The City directs its officers and staff to post a "Notice of Public Hearing and Bonds to be Issued" in substantially the following form:

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

PUBLIC NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act"), that on June 20, 2024, the City Council (the "Council") of Hurricane City, Utah (the "Issuer"), adopted a resolution (the "Resolution") in which it authorized the issuance of the Issuer's Water Revenue Bonds, Series 2024 (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Issuer) (collectively, the "Bonds") and provided for a public hearing to be called to receive input from the public with respect to (a) the issuance of the Bonds and (b) any potential economic impact that the Project described herein to be financed with the proceeds of the Bonds may have on the private sector.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on July 18, 2024, at the hour of 6:00 p.m. at the Issuer's offices located at 147 North 870 West, Hurricane, Utah. The purpose of the hearing is to receive input from the public with respect to (a) the issuance of the proposed Bonds, and (b) any potential economic impact that the Project to be financed with the proceeds the Bonds may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE BONDS

The Bonds will be issued for the purpose of (a) financing all or a portion of the costs of construction of improvements to the Issuer's water system (the "System"), and all related improvements (collectively, the "Project") and (b) paying costs of issuance of the Bonds.

PARAMETERS OF THE BONDS

The Issuer intends to issue the Bonds in the aggregate principal amount of not more than Fourteen Million Dollars ($14,000,000), to mature in not more than twenty-six (26) years from their date or dates, to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, and bearing interest at a rate or rates not to exceed five and one half percent (5.50%) per annum. The Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a General Indenture of Trust (the "General Indenture") dated as of April 1, 2017, as previously supplemented and as further supplemented by a Third Supplemental Indenture of Trust (the "Third Supplemental Indenture" and together with the General Indenture, the "Indenture"), each by and between the City and Zions Bancorporation, National Association (the "Trustee"), ~~which was~~and a Bond Purchase Agreement (the "Bond Purchase Agreement") which were before the Council in substantially final form at the time of the adoption of the Resolution and said Indenture ~~is~~and Bond Purchase Agreement are to be executed by the Issuer in such ~~form~~forms and with such changes thereto as shall be approved by the Issuer; provided that the principal amount, interest rate or rates, maturity, and discount of the Bonds will not exceed the maximums set forth above. The Issuer reserves the right to not issue the Bonds for any reason and at any time up to the issuance of the Bonds.

REVENUES PROPOSED TO BE PLEDGED

The Bonds are special limited obligations of the Issuer payable from the revenues of the System (the "Revenues").

OUTSTANDING BONDS SECURED BY REVENUES

The Issuer currently has $2,888,000 of bonds outstanding secured by the Revenues.

OTHER OUTSTANDING BONDS OF THE ISSUER

Additional information regarding the Issuer's outstanding bonds may be found in the Issuer's financial report (the "Financial Report") at: https://reporting.auditor.utah.gov/searchreport/s/. For additional information, including any information more recent than as of the date of the Financial Report, please contact Kaden DeMille, City Manager (435) 635-2811, ext. 125.

TOTAL ESTIMATED COST OF BONDS

Based on the Issuer's current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Bonds to be issued under the Act to finance the Project, if held until maturity, is $26,642,355.

A copy of the Resolution, the Indenture and the ~~Indenture~~Bond Purchase Agreement are on file in the office of the City Recorder, 147 North 870 West, Hurricane, Utah where they may be examined during regular business hours of the City Recorder from 8:00 a.m. to 5:00 p.m. Monday through Thursday and 8:00 a.m. to 3:00 p.m. on Friday, for a period of at least thirty (30) days from and after the date of posting of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Indenture, the Bond Purchase Agreement or the Bonds, or any provision made for the security and payment of the Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

DATED this June 20, 2024.

/s/ Cindy Beteag

City Recorder

Section 11. The City hereby reserves the right to opt not to issue the Bonds for any reason, including without limitation, consideration of the opinions expressed at the public hearing.

Section 12. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

Section 13. The City hereby declares its intention and reasonable expectation to use proceeds of tax-exempt bonds to reimburse itself for initial expenditures for costs of the Project. The Bonds are to be issued, and the reimbursements made, by the later of 18 months after the payment of the costs or after the Project is placed in service, but in any event, no later than three years after the date the original expenditure was paid. The maximum principal amount of the Bonds which will be issued to finance the reimbursed costs of the Project is not expected to exceed Fourteen Million Dollars ($14,000,000).

APPROVED AND ADOPTED this June 20, 2024.

(SEAL)

By:______________________________________
Mayor

ATTEST:

By:______________________________________
City Recorder

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

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

(SEAL)

By:___________________________________
Mayor

ATTEST:

By:___________________________________
City Recorder

STATE OF UTAH ) 
: ss.
COUNTY OF WASHINGTON )

I, Cindy Beteag, the duly appointed and qualified City Recorder of Hurricane City, Utah (the "City"), do hereby certify according to the records of the City Council of the City (the "Council") in my official possession that the foregoing constitutes a true and correct excerpt of the minutes of the meeting of the Council held on June 20, 2024, including a resolution (the "Resolution") adopted at said meeting as said minutes and Resolution are officially of record in my possession.

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

I further certify that the Resolution, with all exhibits attached, was deposited in my office on June 20, 2024, and pursuant to the Resolution, a Notice of Public Hearing and Bonds to be Issued was posted no less than fourteen (14) days before the public hearing date as a Class A notice under Section 63G-30-102: (a) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, (b) on the City's official website and (c) in a public location within the City that is reasonably likely to be seen by residents of the City.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said City this June 20, 2024.

(SEAL)

By:_____________________________________
City Recorder

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

I, Cindy Beteag, the undersigned City Recorder of Hurricane City, Utah (the "City"), do hereby certify, according to the records of the City in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the June 20, 2024, public meeting held by the City Council of the Council (the "Council") as follows:

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

(b) By causing a copy of such Notice to be posted on the Utah Public Notice Website (https://pmn.utah.gov) at least twenty-four (24) hours prior to the convening of the meeting; and

(c) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be posted on the City's official website at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2024 Annual Meeting Schedule for the Council (attached hereto as Schedule 2) was given specifying the date, time, and place of the regular meetings of the Council to be held during the year, by causing said Notice to be posted at least annually (a) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, (b) on the City's official website and (c) in a public location within the City that is reasonably likely to be seen by residents of the City.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this June 20, 2024.

(SEAL)

By:____________________________________
City Recorder

*To be attached:*
SCHEDULE 1 – NOTICE OF MEETING
SCHEDULE 2 – ANNUAL MEETING SCHEDULE

<u>EXHIBIT B</u>

FORM OF THIRD SUPPLEMENTAL INDENTURE OF TRUST

# EXHIBIT C

## FORM OF BOND PURCHASE AGREEMENT

Hurricane, Utah

June 20, 2024

The City Council (the "Council") of Hurricane City, Utah (the "City") met in regular public session at the regular meeting place of the Council, on Thursday, June 20, 2024, at the hour of 6:00 p.m., with the following members of the Council being present:

| | |
|---|---|
| Nanette Billings | Mayor |
| David Hirschi | Councilmember |
| Kevin Thomas | Councilmember |
| Clark Fawcett | Councilmember |
| Drew Ellerman | Councilmember |
| Joseph Prete | Councilmember |

Also present:

| | |
|---|---|
| Kaden Demille | City Manager |
| Cindy Beteag | City Recorder |

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the City Recorder presented to the Council a Certificate of Compliance with Open Meeting Law with respect to this June 20, 2024, meeting, a copy of which is attached hereto as Exhibit A.

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

AYE:

NAY:

The resolution is as follows:

RESOLUTION NO. 2024-29

A RESOLUTION OF THE CITY COUNCIL OF HURRICANE CITY, UTAH (THE “CITY”), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN $14,000,000 AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2024 (TO BE ISSUED IN ONE OR MORE SERIES AND WITH SUCH OTHER SERIES OR TITLE AS MAY BE DETERMINED) (THE “BONDS”); FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE CITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PROVIDING FOR THE POSTING OF A NOTICE OF PUBLIC HEARING AND A NOTICE OF BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD AND SETTING OF A PUBLIC HEARING DATE; AUTHORIZING AND APPROVING THE EXECUTION OF A THIRD SUPPLEMENTAL INDENTURE OF TRUST, A BOND PURCHASE AGREEMENT, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the City Council (the “Council”) of Hurricane City, Utah (the “City”) desires to (a) finance all or a portion of the costs of construction of improvements to its water system (the “System”), and all related improvements (collectively, the “Project”) and (b) pay costs of issuance with respect to the Bonds herein described; and

WHEREAS, to accomplish the purposes set forth in the preceding recital, and subject to the limitations set forth herein, the City desires to issue its Water Revenue Bonds, Series 2024 (to be issued from time to time as one or more series and with such other series or title designation(s) as may be determined by the City) (collectively, the “Bonds”), pursuant to (a) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Act”), (b) this Resolution, and (c) a General Indenture of Trust (the “General Indenture”) dated as of April 1, 2017, as previously supplemented and as further supplemented by a Third Supplemental Indenture of Trust (the “Third Supplemental” and together with the General Indenture, the “Indenture”), each by and between the City and Zions Bancorporation, National Association (the “Trustee”), in substantially the form presented to the meeting at which this Resolution was adopted and which is attached hereto as Exhibit B; and

WHEREAS, the City Council desires to approve and authorize the preparation and use of a Bond Purchase Agreement, if needed (the “Bond Purchase Agreement”) to be entered into between the Issuer and a purchaser or purchasers selected by the Issuer for one or more series of the Series 2024 Bonds, in substantially the form attached hereto as Exhibit C; and

WHEREAS, the State of Utah Department of Natural Resources, Board of Water Resources (the "Board of Water Resources") has offered to purchase a portion of the Bonds; and

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

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

WHEREAS, in order to allow the City flexibility in establishing the date of the public hearing and setting the pricing date of the Bonds to optimize debt service costs to the City, the Council desires to grant to any one of the City Manager or the Mayor (or Mayor Pro Tem) (each a "Designated Officer"), the authority to (a) approve the principal amounts, interest rates, terms, maturities, redemption features, and purchase price at which the Bonds shall be sold, (b) make any changes with respect thereto from those terms which were before the Council at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the "Parameters"), and (c) establish the public hearing date with respect to the issuance of the Bonds;

NOW, THEREFORE, it is hereby resolved by the City Council of Hurricane City, Utah, as follows:

Section 1. For the purpose of (a) financing the Project and (b) paying costs of issuance of the Bonds, the City hereby authorizes the issuance of the Bonds which shall be designated "Hurricane City, Utah Water Revenue Bonds, Series 2024" (to be issued from time to time as one or more series and with such other series or title designation(s) as may be determined by the City) in the aggregate principal amount of not to exceed Fourteen Million Dollars ($14,000,000). The Bonds shall mature in not more than twenty-six (26) years from their date or dates, shall be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, shall bear interest at a rate or rates of not to exceed five and one half percent (5.50%) per annum, as shall be approved by the Designated Officer, all within the Parameters set forth herein.

Section 2. The Designated Officers are hereby authorized to specify and agree as to the method of sale, the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Bonds for and on behalf of the City, provided that such terms are within the Parameters set by this Resolution and to establish the public hearing date with respect to the issuance of the Bonds.

Section 3. The Third Supplemental Indenture and the Bond Purchase Agreement in substantially the forms presented to this meeting and attached hereto as Exhibit B and Exhibit C, respectively, are hereby authorized, approved, and confirmed. The Mayor or Vice Mayor and City Recorder are hereby authorized to execute and deliver the Third Supplemental Indenture and Bond Purchase Agreement in substantially the forms and with substantially the content as the forms presented at this meeting for and on behalf of the City, with final terms as may be established by the Designated Officers within the Parameters set forth herein, and with such alterations, changes or additions as may be necessary or as may be authorized by Section 4 hereof.

Section 4. The Designated Officers or other appropriate officials of the City are authorized to make any alterations, changes or additions to the Third Supplemental Indenture, the Bond Purchase Agreement, the Bonds or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Bonds (within the Parameters set by this Resolution), to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Council or the provisions of the laws of the State of Utah or the United States.

Section 5. The form, terms, and provisions of the Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Mayor or Mayor Pro Tem and the City Recorder are hereby authorized and directed to execute and seal the Bonds. The signatures of the Mayor or Mayor Pro Tem and the City Recorder may be by facsimile or manual execution.

Section 6. The Designated Officers or other appropriate officials of the City are hereby authorized and directed to authenticate and deliver the Bonds in accordance with the provisions of the Indenture.

Section 7. Upon their issuance, the Bonds will constitute special limited obligations of the City payable solely from and to the extent of the sources set forth in the Bonds and the Indenture. No provision of this Resolution, the Indenture, the Bonds, or any other instrument, shall be construed as creating a general obligation of the City, or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the City or its taxing powers.

Section 8. The Designated Officers and other appropriate officials of the City, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the City any or all additional certificates, documents and other papers (including, without limitation, any escrow agreement permitted under the Indenture and tax compliance procedures) and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 9. After the Bonds are delivered to the purchaser or purchasers and upon receipt of payment therefor, this Resolution shall be and remain irrepealable until the principal of, premium, if any, and interest on the Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 10. The City shall hold a public hearing on July 18, 2024 at 6:00 p.m., to receive input from the public with respect to (a) the issuance of the Bonds, and (b) the potential economic impact that the improvements to be financed with the proceeds of the Bonds will have on the private sector, which hearing date shall not be less than fourteen (14) days after notice of the public hearing is posted as a Class A notice under Section 63G-30-102 (i) on the Utah Public Notice

Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, (ii) on the City's official website, and (iii) in a public location within the City that is reasonably likely to be seen by residents of the City. The City Recorder shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in City's offices, for public examination during the regular business hours of the City until at least thirty (30) days from and after the date of publication thereof. The City directs its officers and staff to post a "Notice of Public Hearing and Bonds to be Issued" in substantially the following form:

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

PUBLIC NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act"), that on June 20, 2024, the City Council (the "Council") of Hurricane City, Utah (the "Issuer"), adopted a resolution (the "Resolution") in which it authorized the issuance of the Issuer's Water Revenue Bonds, Series 2024 (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Issuer) (collectively, the "Bonds") and provided for a public hearing to be called to receive input from the public with respect to (a) the issuance of the Bonds and (b) any potential economic impact that the Project described herein to be financed with the proceeds of the Bonds may have on the private sector.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on July 18, 2024, at the hour of 6:00 p.m. at the Issuer's offices located at 147 North 870 West, Hurricane, Utah. The purpose of the hearing is to receive input from the public with respect to (a) the issuance of the proposed Bonds, and (b) any potential economic impact that the Project to be financed with the proceeds the Bonds may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE BONDS

The Bonds will be issued for the purpose of (a) financing all or a portion of the costs of construction of improvements to the Issuer's water system (the "System"), and all related improvements (collectively, the "Project") and (b) paying costs of issuance of the Bonds.

PARAMETERS OF THE BONDS

The Issuer intends to issue the Bonds in the aggregate principal amount of not more than Fourteen Million Dollars ($14,000,000), to mature in not more than twenty-six (26) years from their date or dates, to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, and bearing interest at a rate or rates not to exceed five and one half percent (5.50%) per annum. The Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a General Indenture of Trust (the "General Indenture") dated as of April 1, 2017, as previously supplemented and as further supplemented by a Third Supplemental Indenture of Trust (the "Third Supplemental Indenture" and together with the General Indenture, the "Indenture"), each by and between the City and Zions Bancorporation, National Association (the "Trustee"), and a Bond Purchase Agreement (the "Bond Purchase Agreement") which were before the Council in substantially final form at the time of the adoption of the Resolution and said Indenture and Bond Purchase Agreement are to be executed by the Issuer in such forms and with such changes thereto as shall be approved by the Issuer; provided that the principal amount, interest rate or rates, maturity, and discount of the Bonds will not exceed the maximums set forth above. The Issuer reserves the right to not issue the Bonds for any reason and at any time up to the issuance of the Bonds.

REVENUES PROPOSED TO BE PLEDGED

The Bonds are special limited obligations of the Issuer payable from the revenues of the System (the “Revenues”).

OUTSTANDING BONDS SECURED BY REVENUES

The Issuer currently has $2,888,000 of bonds outstanding secured by the Revenues.

OTHER OUTSTANDING BONDS OF THE ISSUER

Additional information regarding the Issuer’s outstanding bonds may be found in the Issuer’s financial report (the “Financial Report”) at: https://reporting.auditor.utah.gov/searchreport/s/. For additional information, including any information more recent than as of the date of the Financial Report, please contact Kaden DeMille, City Manager (435) 635-2811, ext. 125.

TOTAL ESTIMATED COST OF BONDS

Based on the Issuer’s current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Bonds to be issued under the Act to finance the Project, if held until maturity, is $26,642,355.

A copy of the Resolution, the Indenture and the Bond Purchase Agreement are on file in the office of the City Recorder, 147 North 870 West, Hurricane, Utah where they may be examined during regular business hours of the City Recorder from 8:00 a.m. to 5:00 p.m. Monday through Thursday and 8:00 a.m. to 3:00 p.m. on Friday, for a period of at least thirty (30) days from and after the date of posting of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Indenture, the Bond Purchase Agreement or the Bonds, or any provision made for the security and payment of the Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

DATED this June 20, 2024.

/s/ Cindy Beteag
City Recorder

Section 11. The City hereby reserves the right to opt not to issue the Bonds for any reason, including without limitation, consideration of the opinions expressed at the public hearing.

Section 12. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

Section 13. The City hereby declares its intention and reasonable expectation to use proceeds of tax-exempt bonds to reimburse itself for initial expenditures for costs of the Project. The Bonds are to be issued, and the reimbursements made, by the later of 18 months after the payment of the costs or after the Project is placed in service, but in any event, no later than three years after the date the original expenditure was paid. The maximum principal amount of the Bonds which will be issued to finance the reimbursed costs of the Project is not expected to exceed Fourteen Million Dollars ($14,000,000).

APPROVED AND ADOPTED this June 20, 2024.

(SEAL)

By:______________________________________
Mayor

ATTEST:

By:______________________________________
City Recorder

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

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

(SEAL)

By:____________________________________
Mayor

ATTEST:

By:____________________________________
City Recorder

STATE OF UTAH )
: ss.
COUNTY OF WASHINGTON )

I, Cindy Beteag, the duly appointed and qualified City Recorder of Hurricane City, Utah (the "City"), do hereby certify according to the records of the City Council of the City (the "Council") in my official possession that the foregoing constitutes a true and correct excerpt of the minutes of the meeting of the Council held on June 20, 2024, including a resolution (the "Resolution") adopted at said meeting as said minutes and Resolution are officially of record in my possession.

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

I further certify that the Resolution, with all exhibits attached, was deposited in my office on June 20, 2024, and pursuant to the Resolution, a Notice of Public Hearing and Bonds to be Issued was posted no less than fourteen (14) days before the public hearing date as a Class A notice under Section 63G-30-102: (a) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, (b) on the City's official website and (c) in a public location within the City that is reasonably likely to be seen by residents of the City.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said City this June 20, 2024.

(SEAL)

By:______________________________________
City Recorder

# EXHIBIT A

## CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Cindy Beteag, the undersigned City Recorder of Hurricane City, Utah (the "City"), do hereby certify, according to the records of the City in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the June 20, 2024, public meeting held by the City Council of the Council (the "Council") as follows:

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

(b) By causing a copy of such Notice to be posted on the Utah Public Notice Website (https://pmn.utah.gov) at least twenty-four (24) hours prior to the convening of the meeting; and

(c) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be posted on the City's official website at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2024 Annual Meeting Schedule for the Council (attached hereto as Schedule 2) was given specifying the date, time, and place of the regular meetings of the Council to be held during the year, by causing said Notice to be posted at least annually (a) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, (b) on the City's official website and (c) in a public location within the City that is reasonably likely to be seen by residents of the City.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this June 20, 2024.

(SEAL)

By:____________________________________
City Recorder

*To be attached:*
SCHEDULE 1 – NOTICE OF MEETING
SCHEDULE 2 – ANNUAL MEETING SCHEDULE

EXHIBIT B

FORM OF THIRD SUPPLEMENTAL INDENTURE OF TRUST

# EXHIBIT C

## FORM OF BOND PURCHASE AGREEMENT

HURRICANE CITY
UTAH

# STAFF COMMENTS

Consideration and possible approval of **Resolution 2024-28 confirming the closure of Project Areas 1 and 2 and ratifying the extension of Project Area 3.**

**Discussion:**
The Hurricane City Council is the governing board of the Hurricane Redevelopment Agency, which is a form of a limited purpose local government entity. The Agency was created in the early 1990s to provide certain tax breaks and incentives to promote economic development within the City. The proposed resolution is a housekeeping item to clarify the status of the three different project areas created by the Agency. This clarification will assist the City and County Clerk/Auditor in administering the Agency. The proposed resolution clarifies that project areas 1 and 2 are closing this year, and project area 3 has been extended until 2027. - Dayton Hall

**Findings:**

**Recommendation:**

**Attachments:**
1. Resolution 2024-28 Confirming the closure of RDA 1 & RDA 2 and ratifying the extension of RDA 3

Resolution 2024-28

# RESOLUTION

## A RESOLUTION OF THE HURRICANE REDEVELOPMENT AGENCY CONFIRMING THE CLOSURE OF PROJECT AREAS 1 AND 2 AND RATIFYING THE EXTENSION OF PROJECT AREA 3

***WHEREAS***, the governing body of the Hurricane Redevelopment Agency ("RDA") is a board that consists of the current members of the Hurricane City Council (the "RDA Board"); and

***WHEREAS***, the RDA Board established project areas 1, 2, and 3 in the early 1990s to promote economic development and revitalization within Hurricane City; and

***WHEREAS***, project areas 1 and 2 are not currently active, have no associated obligations, and are set to expire at the end of 2024;

***WHEREAS***, project area 3 was set to expire in the year 2024, but the RDA Taxing Entity voted in an October 11, 2017, meeting to extend the term for an additional 10 years, which extension was consistent with business incentives that were offered to businesses within the project area by the Hurricane City Council in 2017; and

***WHEREAS***, available records do not include a formal approval by the RDA Board of the 10-year extension voted on by the RDA Taxing Entity, and the RDA Board desires to ratify the 10-year extension.

***NOW, THEREFORE, BE IT HEREBY RESOLVED*** by the RDA Board as follows:

.

1. Project areas 1 and 2 of the RDA shall expire and be CLOSED at the end of 2024.

2. The extension of project area 3 of the RDA to the end of 2027 is hereby RATIFIED.

3. The RDA shall retain authority beyond the respective expiration dates of the project areas to wind up the activities and affairs of the project areas.

4. Effective Date: This Resolution shall take effect immediately upon its passage.

PASSED AND APPROVED THIS 20TH day of June, 2024.

________________________________________
Mayor Nanette Billings, acting as Executive Director

ATTEST:

____________________________
Cindy Beteag, Recorder

The foregoing Resolution was presented at a regular meeting of the Hurricane Redevelopment Agency held at the Hurricane City Office Building on the 20th day of June, 2024. Whereupon a motion to adopt and approve said Resolution was made by ___________________________ and seconded by ____________________________. A roll call vote was then taken with the following results:

| | Yea | Nay | Abstain | Absent |
|---|---|---|---|---|
| David Hirschi | ___ | ___ | ___ | ___ |
| Kevin Thomas | ___ | ___ | ___ | ___ |
| Clark Fawcett | ___ | ___ | ___ | ___ |
| Drew Ellerman | ___ | ___ | ___ | ___ |
| Joseph Prete | ___ | ___ | ___ | ___ |

____________________________

Cindy Beteag, Recorder

HURRICANE CITY
UTAH

## STAFF COMMENTS

Mayor, Council, and Staff reports

**Discussion:**

**Findings:**

**Recommendation:**

**Attachments:**
None

HURRICANE CITY
UTAH

## STAFF COMMENTS

Closed Meeting held pursuant to Utah Code section 52-4-205, upon request

**Discussion:**

**Findings:**

**Recommendation:**

**Attachments:**
None