

RESOLUTION NO. R 16-2004

A RESOLUTION OF THE CITY COUNCIL OF CITY OF EAGLE MOUNTAIN, UTAH COUNTY, UTAH, FINALIZING THE TERMS AND CONDITIONS OF THE ISSUANCE AND SALE BY THE ISSUER OF ITS EXCISE TAX ROAD BONDS, SERIES 2004 IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,226,000; AWARDING AND CONFIRMING THE SALE OF SAID SERIES 2004 BONDS; AUTHORIZING THE EXECUTION BY THE ISSUER OF A GENERAL INDENTURE AND FIRST SUPPLEMENTAL INDENTURE, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTION CONTEMPLATED BY THIS RESOLUTION; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND RELATED MATTERS.

WHEREAS, the City Council (the "Council") of City of Eagle Mountain, Utah County, Utah (the "Issuer"), desires to finance the costs of constructing improvements and additions to certain of the Issuer's Class C roads (the "Project") and to pay the costs of issuance associated with said financing; and

WHEREAS, to accomplish the purposes set forth in the preceding recital, the Issuer desires to issue its Excise Tax Road Bonds, Series 2004 in the aggregate principal amount of \$1,226,000 (the "Series 2004 Bonds") pursuant to this resolution, a General Indenture of Trust dated as of August 1, 2004, between the Issuer and U.S. Bank, N.A., as Trustee (the "Trustee"), in substantially the form presented to the meeting at which this resolution was adopted and which is attached hereto as Exhibit B (the "General Indenture"), and the First Supplemental Indenture of Trust dated as of August 1, 2004, between the Issuer and the Trustee, in substantially the form presented to the meeting at which this resolution was adopted and which is attached hereto as Exhibit C (the "First Supplemental Indenture"); and

WHEREAS, on June 15, 2004, the Council adopted a resolution (the "Parameters Resolution") authorizing the issuance of the Series 2004 Bonds, establishing parameters therefor, calling a public hearing and directing the publication of a Notice of Public Hearing and Bonds to be Issued; and

WHEREAS, pursuant to the Parameters Resolution and provisions of the Act, a public hearing (the "Hearing") with respect to the issuance of the Series 2004 Bonds in the principal amount of not to exceed \$1,500,000 was held on July 6, 2004, following notice of said hearing having been published twice, the first publication being not less than fourteen (14) days prior to the hearing in the New Utah, a newspaper of general circulation in the Issuer; and

WHEREAS, the Council has determined that the Bond Purchase Agreement (the "Purchase Agreement," a copy of which is attached hereto as Exhibit D) of Zions First

National Bank (the "Purchaser") for the purchase of the Series 2004 Bonds is acceptable and in the best interest of the Issuer; and

WHEREAS, the Issuer desires to sell the Series 2004 Bonds to the Purchaser upon the terms set forth in said Purchase Agreement; and

WHEREAS, the Series 2004 Bonds shall be payable solely from the Revenues (as defined in the General Indenture) and other moneys pledged therefor in the General Indenture and the First Supplemental Indenture (collectively, the "Indenture"), and shall not constitute or give rise to a general obligation or liability of the Issuer or constitute a charge against its general credit or taxing powers:

NOW THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Eagle Mountain, Utah County, Utah, as follows:

Section 1. The terms defined or described in the recitals hereto shall have the same meanings when used in the body of this authorizing resolution.

Section 2. All actions heretofore taken (not inconsistent with the provisions of this authorizing resolution), by the Council and by the officers of the Issuer directed toward the issuance and sale of the Series 2004 Bonds, are hereby ratified, approved and confirmed.

Section 3. The General Indenture attached hereto as Exhibit B and the First Supplemental Indenture attached hereto as Exhibit C are in all respects hereby authorized and approved, and the Mayor and City Recorder are hereby authorized and directed to execute and deliver the same on behalf of the Issuer.

Section 4. For the purposes of financing the Project and paying costs of issuance, the Issuer hereby authorizes the issuance of the Series 2004 Bonds in the aggregate principal amount of \$1,226,000 which shall be designated "City of Eagle Mountain, Utah County, Utah Excise Tax Road Bonds, Series 2004."

The Series 2004 Bonds shall bear interest, shall be dated, shall be issued as fully registered Bonds, and shall mature as provided in the First Supplemental Indenture.

Section 5. The form, terms and provisions of the Series 2004 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the First Supplemental Indenture. The Mayor and City Recorder are hereby authorized and directed to execute and seal the Series 2004 Bonds and to deliver said Bonds to the Registrar (as defined in the General Indenture) for authentication. The signatures of the Mayor and the City Recorder may be by facsimile or manual execution.

Section 6. The appropriate officials of the Issuer are hereby authorized and directed to execute and deliver to the Registrar (as defined in the General Indenture) the written order of the Issuer for authentication and delivery of the Series 2004 Bonds in accordance with the provisions of the Indenture.

Section 7. The Series 2004 Bonds shall be sold to the Purchaser in accordance with the Purchase Agreement presented to the Issuer. Said Purchase Agreement in the form attached hereto as Exhibit D is hereby authorized and approved, and the Mayor and City Recorder are hereby authorized to execute said Purchase Agreement on behalf of the Issuer.

Section 8. Upon their issuance, the Series 2004 Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2004 Bonds and the Indenture. No provision of this authorizing resolution, the Indenture, the Series 2004 Bonds, or any other instrument, shall be construed as creating a general obligation of the Issuer, or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Issuer or its taxing powers.

Section 9. The appropriate officials of the Issuer, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the Issuer any or all additional certificates, documents and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this authorizing resolution and the documents authorized and approved herein.

Section 10. After the Series 2004 Bonds are delivered to the Purchaser, and upon receipt of payment therefor, this authorizing resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the Series 2004 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of this authorizing resolution.

Section 11. The forms of General Indenture and First Supplemental Indenture authorized and approved hereby are authorized and approved with such additions, modifications, deletions and changes thereto as may be deemed necessary or appropriate and approved by the Mayor, whose execution thereof on behalf of the Issuer shall conclusively establish such necessity, appropriateness and approval with respect to all such additions, modifications, deletions and changes incorporated therein.

Section 12. In accordance with the provisions of Sections 11-14-21 and 11-14-17.5 of the Act, the City Recorder has caused a "Notice of Public Hearing and Bonds to be Issued" to be published once a week for two consecutive weeks in the New Utah, a newspaper having general circulation in the Issuer, with the Public Hearing being held not less than fourteen (14) days after the Notice was first published, and has caused a copy of the Parameters Resolution to be kept on file in the office of the City Recorder for public examination during regular business hours at least thirty (30) days from and after the date of publication thereof. Such notice is hereby reaffirmed and approved.

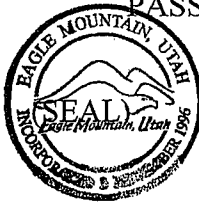
Section 13. It is hereby declared that all parts of this authorizing resolution are severable, and if any section, clause or provision of this authorizing resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of

any such section, clause or provision shall not affect the remaining sections, clauses or provisions of this authorizing resolution.

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

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

PASSED, APPROVED AND ADOPTED this August 3, 2004.



By: Kevin E. Barclay
Mayor

ATTEST:

By: Jane B. Valentine, cmc
City Recorder