

RESOLUTION NO. R 17-2004

A RESOLUTION OF THE CITY COUNCIL OF EAGLE MOUNTAIN CITY, UTAH (THE "ISSUER"), FINALIZING THE TERMS AND CONDITIONS OF THE ISSUANCE AND SALE BY THE ISSUER OF ITS SPECIAL ASSESSMENT REFUNDING BONDS, SERIES 2004A (SPECIAL IMPROVEMENT DISTRICT NO. 98-1) IN THE AGGREGATE PRINCIPAL AMOUNT OF \$6,295,000 (THE "SERIES 2004A BONDS"); AWARDED AND CONFIRMING THE SALE OF SAID SERIES 2004A BONDS; AUTHORIZING THE EXECUTION BY THE ISSUER OF A GENERAL INDENTURE OF TRUST, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING AND APPROVING A BOND PURCHASE CONTRACT; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTION CONTEMPLATED BY THIS RESOLUTION; PROVIDING A SEVERABILITY CLAUSE; REPEALING RESOLUTIONS AND ORDERS IN CONFLICT; PROVIDING AN EFFECTIVE DATE; AND RELATED MATTERS.

WHEREAS, the City Council (the "Council") of Eagle Mountain City, Utah (the "Issuer") desires (i) to refund the Issuer's outstanding Eagle Mountain City, Utah Special Assessment Bonds, Series 1999 (Special Improvement District No. 98-1) (the "Series 1999 Bonds") originally issued in the principal amount of \$12,105,000; (ii) to fund a Debt Service Reserve Fund and Stabilization Reserve Fund, and (iii) to pay the costs associated with said refunding; and

WHEREAS, to accomplish the purposes set forth in the preceding whereas clause, the Issuer desires to issue its Special Assessment Refunding Bonds, Series 2004A (Special Improvement District No. 98-1) in the aggregate principal amount of \$6,295,000 (the "Series 2004A Bonds") pursuant to this Resolution and a General Indenture of Trust dated as of September 1, 2004 between the Issuer and U.S. Bank National Association, 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 "Indenture"); and

WHEREAS, the bondholder of the Series 1999 Bonds has consented to the refunding and retirement of the Series 1999 Bonds at the time and in the manner described in the Indenture and has waived all redemption requirements, including redemption notice requirements with respect to the Series 1999 Bonds as evidenced by the executed Waiver and Consent Agreement attached hereto as Exhibit C; and

WHEREAS, the Issuer has determined that it is in the best interests of (i) the owners of the assessed properties within the District, (ii) the City, and (iii) the bondholder of the Series 1999 Bonds to refund the Series 1999 Bonds by issuing the Series 2004A Bonds in accordance with the terms and conditions of the Second Supplemental Ordinance (herein described) and the Indenture; and

WHEREAS, the Council has determined that the Bond Purchase Agreement (the "Purchase Agreement") of A.G. Edwards & Sons, Inc. Edwards (the "Underwriter") for the purchase of the Series 2004A Bonds is acceptable and in the best interest of the Issuer, a copy of which is attached hereto as Exhibit D; and

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

WHEREAS, the Series 2004A Bonds shall be payable solely from the assessments levied against certain benefited properties within the Eagle Mountain City, Utah Special Improvement District No. 98-1 (the "District") and other moneys pledged therefor in 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 Eagle Mountain City, Utah, as follows:

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

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

3. The Indenture attached hereto as Exhibit B is 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.

4. For the purpose of (i) refunding the Series 1999 Bonds, (ii) funding a Debt Service Reserve Fund and Stabilization Reserve Fund; and (iii) paying costs of issuance, the Issuer hereby authorizes the issuance of the Series 2004A Bonds which shall be designated "Eagle Mountain City, Utah Special Assessment Refunding Bonds, Series 2004A (Special Improvement District No. 98-1)."

5. The Issuer hereby authorizes the issuance of the Series 2004A Bonds in the aggregate principal amount of \$6,295,000. The Series 2004A Bonds shall bear interest, shall be dated, shall be issued as fully registered Bonds, and shall mature as provided in the Indenture.

6. The form, terms and provisions of the Series 2004A 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 and City Recorder are hereby authorized and directed to execute and seal the Series 2004A Bonds and to deliver said Bonds to the Trustee for authentication. The signatures of the Mayor and the City Recorder may be by facsimile or manual execution.

7. The appropriate officials of the Issuer are hereby authorized and directed to execute and deliver to the Trustee the written order of the Issuer for authentication and delivery of the Series 2004A Bonds in accordance with the provisions of the Indenture.

8. The Series 2004A Bonds shall be sold to the Underwriter 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.

9. Upon their issuance, the Series 2004A Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2004A Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2004A 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.

10. 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 Resolution and the documents authorized and approved herein.

11. After the Series 2004A Bonds are delivered by the Trustee to the Underwriter, and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the Series 2004A Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the General Indenture.

12. It is hereby declared that all parts of this Resolution are severable, and if any section, clause or provision of this 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 Resolution.

13. 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.

14. This Resolution shall take effect immediately upon its approval and adoption.

PASSED, APPROVED AND ADOPTED this August 24, 2004.



By: 
Mayor Pro Tem

ATTEST:

By: 
City Recorder