

**Resolution 31-98**

Eagle Mountain, Utah

December 8, 1998

The Town Council of the Town of Eagle Mountain, Utah County, Utah met in regular session at 1680 East Heritage Drive, Eagle Mountain, Utah, at the hour of 7 p.m. on the 8th day of December, 1998, with the following members being present:

Robert E. Bateman	Mayor
Diane D. Bradshaw	Councilmember
William E. Chipman	Councilmember
Daniel A. Valentine	Councilmember
D. Cyril Watt	Councilmember

Also present:

John D Newman	Town Administrator
Janet B. Valentine	Town Clerk
Gerald H. Kinghorn	Town Attorney

After the meeting had been duly called to order and after other matters not pertinent to this Resolution had been discussed, the Town Clerk presented to the Town Council a Certificate of Compliance With Open Meeting Law with respect to this December 8, 1998 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 William E. Chipman, and seconded by Councilmember Diane Bradshaw, adopted by the following vote:

**YEA: Unanimously**

**NAY:**

The Resolution was then signed by the Mayor in open meeting and recorded by the Town Clerk. The Resolution is as follows:

**RESOLUTION NO. 31-98**

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF EAGLE MOUNTAIN, UTAH COUNTY, UTAH AUTHORIZING THE ISSUANCE AND SALE OF ITS GAS AND ELECTRIC REVENUE BOND ANTICIPATION NOTES, SERIES 1998 IN A TOTAL PRINCIPAL AMOUNT OF \$2,830,000; AUTHORIZING THE EXECUTION BY THE TOWN OF A SECOND SUPPLEMENTAL INDENTURE, A NOTE PURCHASE CONTRACT, AN OFFICIAL STATEMENT AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION, THE GENERAL INDENTURE, THE SECOND SUPPLEMENTAL INDENTURE, THE NOTE PURCHASE CONTRACT AND THE OFFICIAL STATEMENT; PROVIDING A SEVERABILITY CLAUSE; REPEALING RESOLUTIONS IN CONFLICT; PROVIDING AN EFFECTIVE DATE; AND RELATED MATTERS.

WHEREAS, the Town of Eagle Mountain, Utah County, Utah (the "Issuer"), desires to issue its Gas and Electric Revenue Bond Anticipation Notes, Series 1998 in the aggregate principal amount of \$2,830,000 (the "Gas and Electric Notes"); and

WHEREAS, the Gas and Electric Notes are to be issued pursuant to the terms of the General Indenture, the First Supplemental Indenture and the Second Supplemental Indenture (as each such term is hereinafter defined); and

WHEREAS, the Issuer has previously authorized the issuance of the Gas and Electric Notes pursuant to a resolution of the Town Council adopted on October 13, 1998 (the "Parameters Resolution"), which Parameters Resolution sets forth certain maximums for the Gas and Electric Notes; and

WHEREAS, the Parameters Resolution directs the publication of a Notice of Notes to be Issued; and

WHEREAS, the Town Council desires to ratify and confirm the Parameters Resolution; and

WHEREAS, the Issuer has accepted the offer of Seattle-Northwest Securities Corporation (the "Underwriter") to purchase the Gas and Electric Notes upon such terms and conditions as are set forth in the Note Purchase Contract relating to the Gas and

Electric Notes (the "Note Purchase Contract") in the form heretofore presented to this meeting; and

WHEREAS, the Gas and Electric Notes (i) shall be payable solely from the net proceeds of the bonds anticipated to be hereafter issued by the Issuer or any bond anticipation notes issued in substitution or to refund for the Gas and Electric Notes, from the Net Revenues (as defined in the hereinafter referenced General Indenture), from moneys on deposit in an Escrow Deposit Agreement and by a Guaranty Agreement as such terms are defined in the General Indenture relating to the Gas and Electric Notes (the "General Indenture"), the First Supplemental Indenture relating to the Gas and Electric Notes (the "First Supplemental Indenture") and the Second Supplemental Indenture relating to the Gas and Electric Notes (the "Second Supplemental Indenture" and together with the General Indenture and the First Supplemental Indenture, the "Indenture"), and (ii) 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 Town Council of the Town 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 Resolution.

Section 2. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the Town Council and by the officers of the Issuer directed toward the issuance and sale of the Gas and Electric Notes are hereby ratified, approved, and confirmed.

Section 3. The Second Supplemental Indenture in substantially the form heretofore presented before this meeting is in all respects hereby authorized and approved, and the Mayor and Town Clerk are hereby authorized and directed to execute and deliver the same on behalf of the Issuer.

Section 4. For the purpose of providing for the payment of costs of the 1998 Project as more fully set forth in the Second Supplemental Indenture, and for the purpose of providing for the payment of certain costs of issuance and for such other purposes as may be authorized under the Indenture, the Issuer shall issue the Gas and Electric Notes which shall be designated as follows: "Town of Eagle Mountain, Utah County, Utah Gas and Electric Revenue Bond Anticipation Notes, Series 1998."

Section 5. The Issuer hereby authorizes the issuance of the Gas and Electric Notes in the aggregate principal amount of \$2,830,000. The Gas and Electric Notes shall bear interest, shall be dated, shall be issued as fully registered obligations, and shall mature as provided in the Second Supplemental Indenture; provided, however that in no

event shall the Gas and Electric Notes contain any terms which exceed the maximums prescribed in the Parameters Resolution.

The form, terms, and provisions of the Gas and Electric Notes 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 Town Clerk are hereby authorized and directed to execute and seal the Gas and Electric Notes and to deliver said Gas and Electric Notes to the Trustee for authentication. The signatures of the Mayor and the Town Clerk 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 Trustee the written order of the Issuer for authentication and delivery of the Gas and Electric Notes in accordance with the provisions of the Indenture.

Section 7. The Gas and Electric Notes shall be sold to Seattle-Northwest Securities Corporation upon such terms as are set forth in the Note Purchase Contract in substantially the same form heretofore presented before this meeting. The Note Purchase Contract is hereby authorized and approved and the Mayor and Town Clerk are hereby authorized to execute and deliver the Note Purchase Contract on behalf of the Issuer.

Section 8. The Issuer hereby ratifies and reaffirms the utilization of the Preliminary Official Statement in the form before this meeting and hereby approves the final Official Statement in substantially the same form as the Preliminary Official Statement. The Mayor is hereby authorized to execute the final Official Statement evidencing its acceptance by the Issuer.

Section 9. Upon their issuance, the Gas and Electric Notes will constitute a special limited obligation of the Issuer payable solely from and to the extent of the sources set forth in the Gas and Electric Notes and the Indenture. No provision of this Resolution, the Indenture, the Gas and Electric Notes, nor 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, nor as incurring or creating a charge upon the general credit of the Issuer or its taxing powers.

Section 10. The General Indenture, First Supplemental Indenture, Escrow Deposit Agreement and the Water Security Agreement, as defined in the Indenture are hereby reaffirmed by the Issuer.

Section 11. 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 to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 12. After the Gas and Electric Notes 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 Gas and Electric Notes are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 13. The form of the Second Supplemental Indenture 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 14. For purposes of and in accordance with Section 265 of the Code, the Issuer hereby designates the Gas and Electric Notes as an issue qualifying for the exception for certain qualified tax-exempt obligations to the rule denying banks and other financial institutions 100% of the deduction for interest expenses which is allocable to tax-exempt interest. The Issuer reasonably anticipates that the total amount of tax-exempt obligations (other than obligations described in Section 265(b)(3)(C) (ii) of the Code) which will be issued by the Issuer and by any aggregated issuer during calendar year 1998 will not exceed \$10,000,000. For purposes of this Section, "aggregated issuer" means any entity which, (i) issues obligations on behalf of the Issuer, (ii) derives its issuing authority from the Issuer, or (iii) is directly or indirectly controlled by the Issuer within the meaning of Treasury Regulation Section 1.150-1(e). The Issuer hereby represents that (a) it has not created and does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code and (b) the total amount of obligations so designated by the Issuer and all aggregated issuers for the calendar year 1998 does not exceed \$10,000,000.

Section 15. 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 to implement and carry out the matters authorized in this Resolution, the Note Purchase Contract and the documents authorized and approved herein and in the Note Purchase Contract.

Section 16. The Parameters Resolution is hereby ratified and confirmed and the Issuer finds and determines that the Notice of Notes to be Issued was published with respect to the Gas and Electric Notes as provided therein and that the Town Clerk caused a copy of the Parameters Resolution, a form of this Resolution and the form of the Indenture to be kept on file in the Town offices, for public examination during the regular business hours of the Town for at least 30 days following adoption of the Parameters Resolution.

Section 17. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution. It is hereby declared by the governing body of the Issuer that it is the intention of the Issuer by the adoption of this Resolution to comply in all respects with the provisions of the Utah Municipal Bond Act, Title 11, Chapter 14, Utah Code Annotated, 1953, as amended, and with the provisions of Article XIV, Sections 3 and 4 of the Constitution of the State of Utah.

Section 18. All resolutions, orders, and regulations or parts thereof in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Section 19. This Resolution shall take effect immediately upon its approval and adoption.

PASSED, APPROVED, AND ADOPTED this 8th day of December, 1998.

*Robert E. Bateman*

Mayor

ATTEST:

*Janet B. Valentine*  
Town Clerk



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

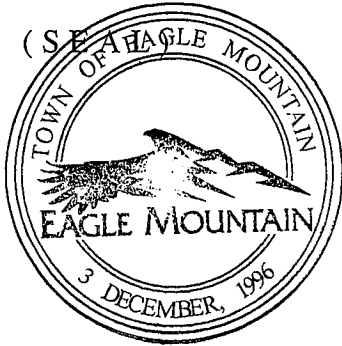
Upon motion duly made and carried, the meeting was adjourned.

*Robert E. Bateman*

Mayor

ATTEST:

*Janet B. Valentine*  
Town Clerk





STATE OF UTAH )  
 : ss.  
COUNTY OF UTAH )

I, Janet Valentine, hereby certify that I am the duly qualified and acting Town Clerk of the Town of Eagle Mountain, Utah County, Utah.

I further certify that the above and foregoing instrument constitutes a true and correct copy of the minutes of a special meeting of Town Council of the Town of Eagle Mountain, including a Resolution adopted at said meeting held on December 8, 1998, as said minutes and Resolution are officially of record in my possession, and that a copy of said Resolution was deposited in my office on December 8, 1998.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said Town this 10<sup>th</sup> day of December, 1998.

  
Town Clerk



EXHIBIT "A"

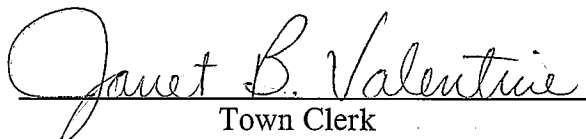
CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Janet Valentine, the undersigned Town Clerk of the Town of Eagle Mountain, Utah County, Utah (the "Town") do hereby certify according to the records of the Town in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-6(2) 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 December 8, 1998 public meeting held by the Town as follows:

(i) By causing a Notice, in the form attached hereto as Schedule "A", to be posted at the Town's principal offices on December 4, 1998, 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; and

(ii) By causing a copy of such notice, in the form attached hereto as Schedule "A", to be delivered to the Lehi Free Press at least twenty four (24) hours prior to the convening of the meeting.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this 10<sup>th</sup> day of December, 1998.

  
Town Clerk



SCHEDULE "A"

NOTICE OF MEETING

**AGENDA**  
**EAGLE MOUNTAIN TOWN COUNCIL MEETING**  
Tuesday, December 8, 1998 at 7:00 P.M.  
1680 East Heritage Drive  
Eagle Mountain, Utah 84043

1. Roll Call
2. Pledge of Allegiance
3. Approval of Agenda
4. Approval of Minutes (March 4, 1998-Joint Mtg with P.C., Nov. 24, 1998)
5. General Discussion/Questions/Announcements
6. Warrant Register/Jeri Wilson
7. Public Comment
8. Protest Hearing:
  - A. Public hearing to receive comments and/or protest regarding the creation of Eagle Mountain, Utah Special Improvement District 98-2 (Cedar Pass)
  - B. Action from item 8, A.- Consideration and Approval of a Resolution creating Eagle Mountain, Utah Special Improvement District No. 98-2 (Cedar Pass) as described in the Notice of Intention and authorizing Town officials to proceed to make improvements as set forth in the Notice of Intention; and related matters
9. Consideration and Approval of a Resolution authorizing the issuance and sale of not to exceed \$5,090,000 Special Assessment Bonds, Series 1998 (Eagle Mountain, Utah Special Improvement District No. 98-3) (Sweet Water Road/Storm Drainage Phase I); fixing interest rates and maturity dates; and related matters.
10. Consideration and Approval of a Resolution authorizing the issuance and sale of not to exceed \$1,470,000. Water and Sewer Revenue Bond Anticipation Notes, Series 1998; authorizing the execution of a Note Purchase Contract and all other documents required in connection therewith; authorizing the taking of all other actions necessary to consummate the transactions contemplated by the Bond Resolution, Supplemental Indenture and other related documents; and related matters.
11. Consideration and Approval of a Resolution authorizing the issuance and sale of not to exceed \$570,000. Telecommunications Revenue Bond Anticipation Notes, Series 1998; authorizing the execution of a Note Purchase Contract and all other documents required in connection therewith; authorizing the taking of all other actions necessary to consummate the transactions contemplated by the Bond Resolution, Supplemental Indenture and other related documents; and related matters.
12. Consideration to approve a Resolution authorizing the issuance and sale of not to exceed \$2,825,000. Gas and Electric Revenue bond Anticipation Notes, Series 1998; authorizing the execution of a Note Purchase Contract and all other documents required in connection therewith; authorizing the taking of all other actions necessary to consummate the transactions contemplated by the Bond Resolution, Supplemental Indenture and other related documents; and related matters.
13. Consideration and Approval of the Development Agreement with The Ranches, LLC for R-1 N-7 Crittenden Corner Subdivision
14. Consideration and Approval of the Development Agreement with The Ranches, LLC for R-1 N-8 Rockwell Village Subdivision
15. Report to the Town Council on the White Ranch Annexation/Janet Valentine
16. Appointments by Mayor:
17. Draw Request for "The Ranches" was deleted from the agenda
18. Bond Releases/Korey Walker
19. Timpanogos Special Service District 1998 Amended Budgets and 1999 Tentative Budgets
20. Consideration to approve a Health Program for the Eagle Mountain Town Employees/John Newman
21. Consideration to contract with Corrosion Consulting and Inspection Specialists, Inc. As a third party inspector for the natural gas line/John Newman was deleted from the agenda
22. Speed Limits on Eagle Mountain Boulevard
23. Motion to adjourn into a Closed Executive Session for the purpose of discussing personnel issues.
24. Action from the Closed Executive Session.
25. Adjournment.

Approval: Robert E. Bateman Date: 7 Dec 98  
Mayor Robert E. Bateman

**CERTIFICATE OF POSTING**

The undersigned, duly appointed Town Clerk, does hereby certify that the above notice and agenda was posted in three public places within Eagle Mountain Town Limits on this 4th day of December 1998. These public places being 1) the Town Offices, 1680 E. Heritage Dr., Eagle Mountain, Utah; 2) Cedar Pass Ranch Bulletin Board, 9155 No. Cedar Pass Road, Eagle Mountain; and 3) the Bulletin Board located at Meadow Ranch Subdivision, Hwy 73, Eagle Mountain, Utah.

Janet B. Valentine  
Janet B. Valentine  
Town Clerk

CERTIFICATE OF COMPLIANCE WITH RESPECT TO THE  
ANNUAL PUBLIC NOTICE OF REGULAR MEETING SCHEDULE

I, Janet Valentine, the duly qualified Town Clerk of the Town of Eagle Mountain, Utah County, Utah, do hereby certify that pursuant to Section 52-4-6 Utah Code Annotated 1953, as amended, notice was provided to a local media correspondent, or to a newspaper of general circulation within the geographic jurisdiction of the Town (at least once during the calendar year 1998), public notice of the annual regular meeting schedule for 1998, with the date, time and place of such meetings. I further certify that there was also posted (at least once during the calendar year 1998) at the principal office of the Town Council, public notice of the annual regular meeting schedule for 1998, with the date, time and place of such meetings.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said Town this 10<sup>th</sup> day of December, 1998.

  
\_\_\_\_\_  
Town Clerk

