

Spanish Fork, Utah

February 6, 2007

The City Council of Spanish Fork City, Utah (the "Council"), met in regular public session at the regular meeting place of the Council in Spanish Fork, Utah, on February 6, 2007, at the hour of 6:00 p.m., with the following members of the Council being present:

Joe Thomas	Mayor
G. Wayne Andersen	Councilmember
Matt D. Barber	Councilmember
Steve Leifson	Councilmember
Seth V. Sorensen	Councilmember
Chris C. Wadsworth	Councilmember

Also present:

David A. Oyler	City Manager
Kent R. Clark	City Recorder/Finance Director
S. Junior Baker	City Attorney

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 February 6, 2007 meeting, a copy of which is attached hereto as Exhibit A.

The following resolution was then introduced in writing, was fully discussed, and pursuant to motion duly made by Councilmember _____ and seconded by Councilmember _____, adopted by the following vote:

YEA:

NAY:

The resolution was then signed by the Mayor in open meeting and recorded by the City Recorder in the official records of Spanish Fork City. The resolution is as follows:

RESOLUTION NO. 07-02

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$22,000,000 AGGREGATE PRINCIPAL AMOUNT OF SALES TAX REVENUE BONDS, SERIES 2007, OF SPANISH FORK CITY, UTAH FOR THE PURPOSE OF FINANCING ALL OR A PORTION OF THE COSTS OF THE ACQUISITION AND CONSTRUCTION OF A NEW PUBLIC SAFETY AND DISTRICT COURT BUILDING, PARK AND RECREATION IMPROVEMENTS, PUBLIC INFRASTRUCTURE AND WATER, SEWER AND ELECTRIC UTILITY IMPROVEMENTS AND RELATED LAND AND EQUIPMENT; CALLING A PUBLIC HEARING AND ESTABLISHING A TIME, PLACE AND LOCATION FOR SAID PUBLIC HEARING; PROVIDING FOR PUBLICATION OF A NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED; PROVIDING FOR A PLEDGE OF SALES TAX REVENUES FOR REPAYMENT OF 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; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; EXPRESSING AN INTENT TO REIMBURSE; AND RELATED MATTERS.

WHEREAS, pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act"), the City Council (the "Council") of Spanish Fork City, Utah (the "Issuer"), has authority to issue its Sales Tax Revenue Bonds, Series 2007 (or such other series designation(s) as may be determined by the Issuer) (the "Bonds") for the purposes set forth herein; and

WHEREAS, the Issuer desires to issue the Bonds to (i) finance the acquisition and construction of a new public safety and district court building and related land, equipment and improvements and park and recreation improvements, public infrastructure and water, sewer and electric utility improvements and related land and equipment (collectively, the "Project") and (ii) fund any necessary reserves and pay costs of issuance of the Bonds; and

WHEREAS, the Act provides that prior to issuing bonds secured by excise tax moneys, an issuing entity must (i) give notice of its intent to issue such bonds and (ii) hold a public hearing to receive input from the public with respect to the issuance of the bonds; and

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

WHEREAS, the Issuer may expend amounts for costs of the above described improvements prior to the issuance of the Bonds and desires to express its intent that, to the extent it pays such costs, the Issuer be reimbursed for such costs from proceeds of the Bonds.

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

Section 1. The Council of the Issuer hereby finds and determines that it is in the best interests of the Issuer and the residents thereof for the Issuer to issue not more than twenty million (\$22,000,000) aggregate principal amount of its Bonds, to bear interest at a rate or rates of not to exceed six and one-half percent (6.5%) per annum, to mature in not more than twenty-two (22) years from their date or dates, and to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof for the purpose of (i) financing all or a portion of the costs of the Project and (ii) funding any necessary reserves and paying costs of issuance, all pursuant to this Resolution, a resolution to be adopted by the Council authorizing and confirming the issuance and sale of the Bonds (herein referred to as the "Final Bond Resolution"), and pursuant to a General Indenture (the "General Indenture") and First Supplemental Indenture of Trust (the "First Supplemental Indenture," and collectively with the General Indenture, the "Indenture") (the forms of which were before the Council at the time of adoption of this Resolution), and the Council hereby declares its intention to issue the Bonds according to the provisions of the Indenture and the Final Bond Resolution, when adopted.

Section 2. The Issuer hereby directs officers and staff of the Issuer to proceed with the preparation of any offering material, if needed, for the sale of the Bonds and to make other necessary preparations for the issuance and sale of the Bonds.

Section 3. The Issuer proposes to pledge 100% (i) the Local Sales and Use Tax revenues received by the Issuer pursuant to Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended and (ii) the Municipal Energy Sales and Use Tax revenues received by the Issuer pursuant to Title 10, Chapter 1, Part 3, Utah Code Annotated 1953, as amended.

Section 4. The Issuer hereby authorizes and approves the issuance and sale of the Bonds pursuant to the provisions of this Resolution, the Indenture, and the Final Bond Resolution to be adopted by the Council authorizing and confirming the issuance and sale of the Bonds, with such changes to said Indenture as shall be approved by the Council upon the adoption of the Final Bond Resolution.

Section 5. The Issuer shall hold a public hearing on March 6, 2007 to receive input from the public with respect to the issuance of the Bonds, which hearing date shall not be less than fourteen (14) days after notice of the public hearing is first published, such notice to be published once a week for two consecutive weeks in the Spanish Fork News, a newspaper of general circulation in the Issuer. The City Recorder shall also cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the Issuer's principal offices for public examination during the regular business hours of the

Issuer until at least thirty (30) days from and after the last date of publication thereof. The Issuer directs its officers and staff to publish a “Notice of Public Hearing and Bonds to be Issued” in substantially the following form:

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN that on Tuesday, February 6, 2007, the City Council (the "Council") of Spanish Fork City, Utah (the "Issuer") adopted a resolution (the "Resolution") declaring its intention to issue its Sales Tax Revenue Bonds, Series 2007 (the "Bonds") pursuant to the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and to call a public hearing to receive input from the public with respect to the issuance of the Bonds.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on March 6, 2007 at the hour of 6:00 p.m. at the Issuer's offices at 40 South Main, Spanish Fork, Utah. The purpose of the hearing is to receive input from the public with respect to the issuance of the Bonds. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING BONDS

The Issuer intends to issue the Bonds for the following purposes: (i) financing the acquisition and construction of a public safety and district court building and related land, equipment and improvements, and park and recreation improvements, public infrastructure and water, sewer and electric utility improvements and related land and equipment and (ii) funding any necessary reserves and paying the costs of issuing the Bonds.

PARAMETERS OF THE BONDS

The Issuer intends to issue the Bonds in the principal amount of not to exceed twenty million dollars (\$22,000,000), to bear interest at a rate or rates of not to exceed six and one half percent (6.5%) per annum, to mature in not more than twenty-two (22) years from their date or dates, and to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof (i.e. maximum 2% discount from par).

EXCISE TAXES PROPOSED TO BE PLEDGED

The Issuer proposes to pledge 100% of (i) the Local Sales and Use Tax funds received by Issuer pursuant to Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended and (ii) the Municipal Energy Sales and Use Tax revenues received by the Issuer pursuant to Title 10, Chapter 1, Part 3, Utah Code Annotated 1953, as amended, for repayment of the Bonds.

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 and a First Supplemental Indenture (collectively, the "Indenture"), both of which were before the Council at the time of the adoption of the Resolution and said Indenture is to be approved

by the Council in such form and with such changes thereto as shall be authorized by the Council upon the adoption of a final bond resolution.

A copy of the Resolution and the form of the Indenture are on file in the office of the City Recorder of the Issuer at 40 South Main, Spanish Fork, Utah, where they may be examined during regular business hours of the Issuer from 8:00 a.m. to 6:00 p.m. Monday through Thursday and Friday 8:00 a.m. to 4:00 p.m. for a period of at least thirty (30) days from and after the last date of publication of this notice.

NOTICE IS HEREBY GIVEN that a period of thirty (30) days from and after the last date of the publication of this notice is provided by law during which (i) any person in interest shall have the right to contest the legality of the Resolution, the Indenture 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, and (ii) registered voters within Spanish Fork City may sign a written petition requesting an election to authorize the issuance of the Bonds. If written petitions which have been signed by at least 20% of the registered voters of Spanish Fork City are filed with the Issuer during said 30-day period, the Issuer shall be required to hold an election to obtain voter authorization prior to the issuance of the Bonds. If fewer than 20% of the registered voters of Spanish Fork City file a written petition during said 30-day period, the Issuer may proceed to issue the Bonds without an election.

DATED this 6th day of February, 2007.

/s/ Kent R. Clark
City Recorder

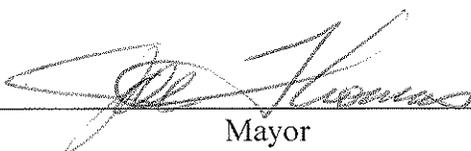
To be Published in the Spanish Fork News on February 14 and 21, 2007.

Section 6. The Council 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, in an amount not to exceed \$22,000,000. 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 made.

Section 7. 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.

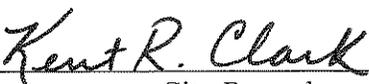
APPROVED AND ADOPTED this 6th day of February, 2007.

(SEAL)

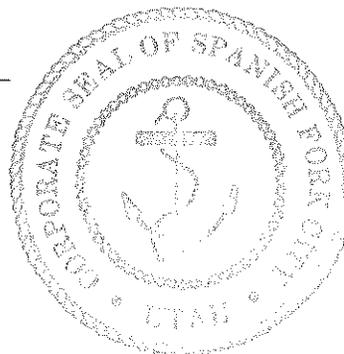


Mayor

ATTEST:



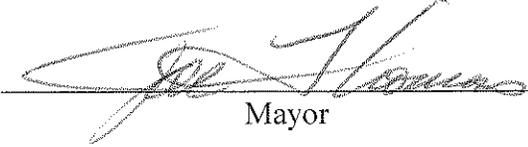
City Recorder



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

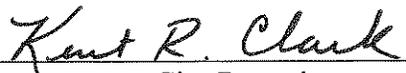
Upon the conclusion of all business on the Agenda, the meeting was adjourned.

(SEAL)



Mayor

ATTEST:



City Recorder



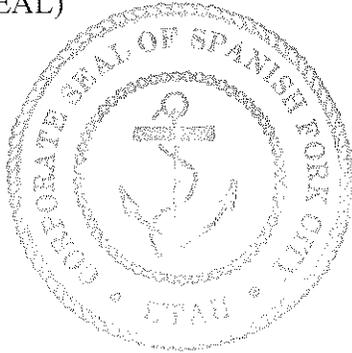
STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

I, Kent R. Clark, the duly appointed and qualified City Recorder of Spanish Fork City, Utah (the "Issuer") do hereby certify according to the records of said Issuer in my official possession that the foregoing constitutes a true and correct excerpt of the minutes of the meeting of the City Council held on February 6, 2007, including a resolution (the "Resolution") adopted at said meeting as said minutes and Resolution are officially of record in my possession.

I further certify that the Resolution, with all exhibits attached, was deposited in my office on February 6, 2007, and that pursuant to the Resolution, there will be published once each week for two consecutive weeks in the Spanish Fork News, a newspaper having general circulation in the Issuer, a Notice of Public Hearing and Bonds to be Issued, the affidavit of which publication will, upon availability, be attached hereto.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said Issuer, this _____ day of _____, 2007.

(SEAL)



Kent R. Clark
City Recorder

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

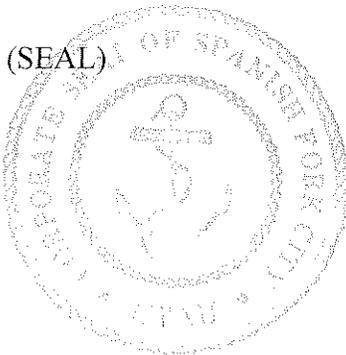
I, Kent R. Clark, the undersigned City Recorder of Spanish Fork City, Utah (the "Issuer"), do hereby certify, according to the records of the Issuer in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-6(2), Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the February 6, 2007 public meeting held by the Issuer as follows:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the Issuer's principal offices on _____, 2007, 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

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to the Provo Daily Herald, the Spanish Fork Press and the Spanish Fork News on _____, 2007, at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2007 Annual Meeting Schedule for the Issuer (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 on _____, 2007 at the principal office of the City Council and by causing a copy of said Notice to be provided to at least one newspaper of general circulation within the Issuer on _____, 2007.

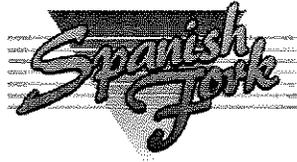
IN WITNESS WHEREOF, I have hereunto subscribed my official signature this _____ day of _____, 2007.



Kent R. Clark
City Recorder

SCHEDULE 1

NOTICE OF MEETING



ADDENDUM CITY COUNCIL MEETING

PUBLIC NOTICE is hereby given that the City Council of Spanish Fork, Utah, will hold a regular public meeting in the Council Chambers in the City Office Building, **40 South Main Street**, Spanish Fork, Utah, commencing at **6:00 p.m. on February 6, 2007**.

AGENDA ITEMS:

1. CALL TO ORDER, PLEDGE, OPENING CEREMONY, RECOGNITIONS:

- a. Pledge

2. PUBLIC COMMENTS:

Please note: In order to be considerate of everyone attending the meeting and to more closely follow the published agenda times, public comment will be limited to three minutes per person. A spokesperson who has been asked by a group to summarize their concerns will be allowed five minutes to speak. Comments which cannot be made within these limits should be submitted in writing. The Mayor or Council may restrict the comments beyond these guidelines.

3. PUBLIC HEARINGS: 6:30 p.m.

- a. Cobblestone Plaza General Plan Amendment and Zone Change

4. CONSENT ITEMS:

These items are considered by the City Council to be routine and will be enacted by a single motion. If discussion is desired on any particular consent item, that item may be removed from the consent agenda and considered separately.

- a. Minutes of Spanish Fork City Council Meeting – January 2, 2007, January 23, 2007

5. NEW BUSINESS:

- a. Resolution 07-01: Consideration for adoption of a resolution authorizing the issuance of up to \$20,000,000 of Sales Tax Revenue Bonds of the City for a new public safety district court building, park and recreation improvements, public infrastructure and water, sewer and electric utility improvements and related land and equipment; providing for a public hearing and establishing parameters for said bonds; providing for a pledge of sales taxes; and related matters.
- b. Airport Board Report
- c. Contract with Layton Construction
- d. Spanish Oaks Annexation Petition Acceptance or Denial
- e. Partridge Annexation Petition Acceptance or Denial
- f. Traffic Mitigation Presentation

6. OTHER BUSINESS:

- a. Executive Session If Needed – To be Announced in the Motion

ADJOURN:

Notice is hereby given that:

- In the event of an absence of a quorum, agenda items will be continued to the next regularly scheduled meeting.
- By motion of the Spanish Fork City Council, pursuant to Title 52, Chapter 4 of the Utah Code, the City Council may vote to hold a closed executive meeting for any of the purposes identified in that Chapter.

SPANISH FORK CITY does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in the employment or the provision of services. The public is invited to participate in all Spanish Fork City Council Meetings located at 40 South Main St. If you need special accommodation to participate in the meeting, please contact the City Manager's Office at 798-5000.

SCHEDULE 2

NOTICE OF ANNUAL MEETING SCHEDULE

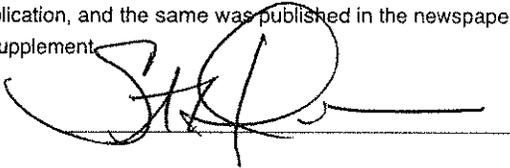
PROOF OF PUBLICATION

STATE OF UTAH,)
ss.
COUNTY OF UTAH,)

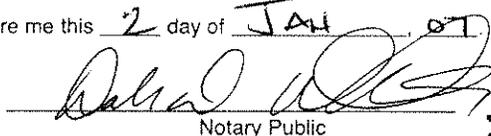
I, STEVE HARDMAN being first duly sworn,
depose and say that I am the EDITOR of the Spanish Fork
News, a weekly newspaper published once each week at Spanish Fork, Utah,
that the notice attached hereto and which is a

2007 MEETING SCHEDULE

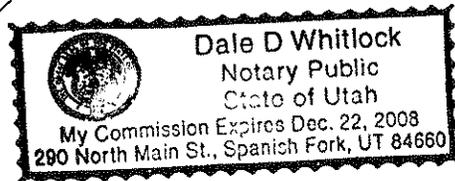
was published in said newspaper for 1 consecutive issue(s), the first
publication having been made on the 29 day of DEC, 2006,
and the last on the 29 day of DEC, 2006, that said notice was
published in the regular and entire issue of every number of the paper during the
period and times of publication, and the same was published in the newspaper
proper and not in any supplement.



Subscribed and sworn to before me this 2 day of JAN, 07


Notary Public

My commission expires: 22 DEC, 08.



SF MEETING SCHEDULE 2007

The City of Spanish Fork will hold their City Council Meetings on the following days. Each meeting begins at 6 p.m. on the First, and Third TUESDAY of each month. Address: 40 South Main Street, Spanish Fork.

2007

January 2, 16
February 6, 20
March 6, 20
April 3, 17

May 1, 15
June 5, 19
July 3, 17
August 7, 21
Sept. 4, 18
Oct. 2, 16
Nov. 6, 20
Dec. 4, 18

Spanish Fork City will make available for interested citizens to review copies of the audit report for Fiscal Year

2006 contact the Finance Director's Office.

The public is invited to participate in all Spanish Fork City Council Meetings. If you need special accommodation to participate in the meeting, please contact the City Manager's Office, 798-5000.

Published in The Spanish Fork News Dec. 29, 2006.

EXHIBIT B

GENERAL INDENTURE OF TRUST
AND
FIRST SUPPLEMENTAL INDENTURE OF TRUST

(See Transcript Document Nos. _____ and _____)

(attach Proof of Publication of Public Hearing
and Notice of Bonds to be Issued)