RESOLUTION 2020-02 MBA

A RESOLUTION OF THE MUNICIPAL BUILDING AUTHORITY OF IVINS CITY, UTAH (THE "AUTHORITY") AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN $3,000,000 AGGREGATE PRINCIPAL AMOUNT OF LEASE REVENUE BONDS, SERIES 2020 (THE "BONDS"); DELEGATING TO CERTAIN OFFICERS OF THE AUTHORITY THE POWER TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; 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 PUBLICATION OF A NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AUTHORIZING THE EXECUTION BY THE AUTHORITY OF A MASTER RESOLUTION, AN ANNUALLY RENEWABLE MASTER LEASE AGREEMENT, SECURITY DOCUMENTS, AND OTHER DOCUMENTS NECESSARY FOR THE ISSUANCE OF THE BONDS; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY FOR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, pursuant to the provisions of the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended, and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (collectively, the "Act"), the Governing Board (the "Board") of the Municipal Building Authority of Ivins City, Utah (the "Authority"), has the power to issue its Lease Revenue Bonds, Series 2020 (the "Series 2020 Bonds") (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Authority) for the purpose of (a) financing the construction of a new City hall and all related improvements (the "Project") and (b) paying costs of issuance of the Series 2020 Bonds; and

WHEREAS, the Act provides for the publication of a Notice of Public Hearing and Bonds to Be Issued, and the Authority desires to call a public hearing and to publish such notice at this time in compliance with the Act with respect to the Series 2020 Bonds; and

WHEREAS, there has been presented to the Board at this meeting the form of (a) a Master Resolution (the "Master Resolution"), (b) a Master Lease Agreement (the "Master

Lease"), (c) a Leasehold Deed of Trust and Assignment of Rents ("Deed of Trust") and (d) a Ground Lease Agreement (the "Ground Lease"); and

WHEREAS, it is anticipated that the Authority will sell the Series 2020 Bonds to the State of Utah Permanent Community Impact Fund Board (the "Purchaser"); and

WHEREAS, in order to allow the Authority (with the consultation and approval of the Authority's municipal advisor, Zions Public Finance, Inc. (the "Municipal Advisor")), the Board desires to grant to the [Chair/President of the Authority, the City Manager or the Director of Finance of Ivins City, Utah] (the "Designated Officers") the power to approve the principal amounts, terms, maturities, redemption features, and purchase price at which the Series 2020 Bonds shall be sold and any changes with respect thereto from those terms which were before the Board at the time of its adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in Section 1 of this Resolution (the "Parameters"); and

WHEREAS, the City Council of Ivins City, Utah (the "City"), by its Resolution dated the date hereof (the "City Resolution") has or is expected to authorize, approve and direct the execution of the Master Lease and the Ground Lease by the City and to authorize the issuance of the Series 2020 Bonds and the financing of the Project by the Authority and to further authorize the execution of the Master Lease, the Ground Lease, the Master Resolution and certain other acts to be taken by the Authority in connection therewith; and

WHEREAS, there has been presented to the Board at this meeting a certificate demonstrating that the useful life of the Project exceeds the final maturity of the Series 2020 Bonds;

NOW, THEREFORE, it is hereby resolved by the Governing Board of the Municipal Building Authority of Ivins City, Utah, as follows:

Section 1. The Board hereby finds and determines that it is in the best interests of the Authority and its residents to issue not more than Three Million Dollars ($3,000,000) aggregate principal amount of the Authority's Lease Revenue Bonds, Series 2020, to bear interest at a rate of not to exceed two and one-half percent (2.50%) per annum, to mature in not more than twenty-five (25) 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 the construction of the Project and (ii) paying costs of issuance, all pursuant to this Resolution, the Master Resolution to be entered into at the time of issuance of the Series 2020 Bonds substantially in the form attached hereto as Exhibit B, the Master Lease substantially in the form attached hereto as Exhibit C, the Deed of Trust, substantially in the form attached hereto as Exhibit D, and the Ground Lease, substantially in the form attached hereto as Exhibit E. The issuance of the Series 2020 Bonds shall be subject to the final approval of Bond Counsel and to the approval of the Attorney for the Authority.

Section 2. The Authority hereby authorizes, approves and directs the leasing of the site of the Project by the City to the Authority in the manner provided in the Ground

Lease, and the leasing of the Project by the Authority to the City in the manner provided in the Master Lease.

Section 3. The Master Resolution, the Master Lease, the Deed of Trust and the Ground Lease, are hereby authorized, approved, and confirmed. The Chair/President or Vice Chair/President and the Secretary-Treasurer or City Recorder on behalf of the Secretary-Treasurer are hereby authorized to execute and deliver the Master Resolution, the Master Lease, the Deed of Trust and the Ground Lease, in substantially the same form and with substantially the same content as the forms presented at this meeting for and on behalf of the Authority with final terms as may be established for the Series 2020 Bonds 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 and other appropriate officials of the Authority are authorized to make any alterations, changes or additions to the Master Resolution, the Master Lease, the Deed of Trust, the Ground Lease, the Series 2020 Bonds, or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2020 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 Board or the provisions of the laws of the State of Utah or the United States.

Section 5. The form, terms, and provisions of the Series 2020 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Master Resolution. The Chair/President or Vice Chair/President and Secretary-Treasurer or City Recorder on behalf of the Secretary-Treasurer are hereby authorized and directed to execute and seal the Series 2020 Bonds and to deliver said Series 2020 Bonds to the Purchaser. The signatures of the Chair/President or Vice Chair/President and the Secretary-Treasurer or City Recorder on behalf of the Secretary-Treasurer may be by facsimile or manual execution.

Section 6. Upon their issuance, the Series 2020 Bonds will constitute special limited obligations of the Authority payable solely from and to the extent of the sources set forth in the Series 2020 Bonds and the Master Resolution. No provision of this Resolution, the Master Resolution, the Master Lease, the Deed of Trust, the Ground Lease, the Series 2020 Bonds, or any other instrument, shall be construed as creating a general obligation of the Authority, or of creating a general obligation of the City, 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. Except as otherwise provided in the Master Lease, the City shall not be obligated to pay out of its funds, revenues, or accounts, or to make any payment in respect of the Series 2020 Bonds, Base Rentals, Additional Rentals and Purchase Option Price pursuant to the Master Lease (as those terms are defined in the Master Lease). The obligation of the City to pay any such rentals and the obligation of the Authority to pay the Series 2020 Bonds will not constitute a general obligation or a debt of the City, the State of Utah or any political subdivision of the State of Utah. The Series 2020 Bonds are not

an indebtedness or a liability of the City or the State of Utah. The Authority has no taxing power.

Section 7. The Designated Officers and other appropriate officials of the Authority, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the Authority any or all additional certificates, documents and other papers (including, but not limited to, tax compliance procedures and security documents related to the Project) 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 8. After the Series 2020 Bonds are delivered to the Purchaser, and upon receipt of payment therefor, this Resolution shall be and remain irrepealable until the Series 2020 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Master Resolution.

Section 9. The Authority shall hold a public hearing on September 17, 2020, to receive input from the public with respect to the issuance of the Series 2020 Bonds, which hearing date shall be not less than fourteen (14) days after notice of the public hearing is (A) first published once a week for two consecutive weeks in The Spectrum, a newspaper of general circulation in the City, (B) published on the Utah Public Notice Website created under Section 63F-1-701, Utah Code Annotated 1953, as amended, and (C) posted on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended. The Secretary-Treasurer or City Recorder on behalf of the Secretary-Treasurer shall also cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the office of the Secretary-Treasurer in Ivins, Utah, for public examination during the regular business hours of the City for a period of at least thirty (30) days from and after the last date of publication thereof. The Authority 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 August 6, 2020, the Governing Board (the "Board") of the Municipal Building Authority of Ivins City, Utah (the "Authority") adopted a resolution (the "Resolution") declaring its intention to issue its Lease Revenue Bonds, Series 2020 (the "Bonds") (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Authority) pursuant to the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended, and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and calling 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 Authority shall hold a public hearing on September 17, 2020, at the hour of 7:00 p.m. The location of the public hearing is 55 North Main Street, Ivins, Utah. The purpose of the public hearing is to receive input from the public with respect to (i) the issuance of the Bonds and (ii) any potential economic impact that the improvements, facility, or property financed in whole or in part with the proceeds of 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 Authority intends to issue the Bonds for the purpose of (i) financing the construction of a new City hall and related improvements (the "Project') and (ii) paying issuance expenses to be incurred in connection with the issuance of the Bonds.

PARAMETERS OF THE BONDS

The Authority intends to issue the Bonds in the principal amount of not to exceed Three Million Dollars ($3,000,000), to bear interest at a rate of not to exceed two and one-half percent (2.50%) per annum, to mature in not more than twenty-five (25) 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.

The Bonds are to be issued and sold by the Authority pursuant to the Resolution, including as part of said Resolution, the draft of a Master Resolution (the "Master Resolution"), a Master Lease Agreement (the "Master Lease"), a Leasehold Deed of Trust and Assignment of Rents (the "Deed of Trust"), and a Ground Lease Agreement (the "Ground Lease"), which were before the Board and attached to the Resolution at the time of the adoption of the Resolution and said Master Resolution, Master Lease, Deed of Trust, and Ground Lease, and are to be adopted by the Board in such form and with such changes thereto as shall be approved by the Board upon the adoption thereof; provided that the

principal amount, interest rates, maturity, and discount of the Bonds will not exceed the maximums set forth above.

Copies of the Resolution, the Master Resolution, the Master Lease, the Deed of Trust, and the Ground Lease are on file in the office of the Secretary-Treasurer of the Authority or the City Recorder of the City, located at 55 North Main Street, Ivins, Utah, where they may be examined during regular business hours of the Secretary-Treasurer from 8:00 a.m. to 5:00 p.m. Monday through Friday, for a period of at least thirty (30) days from and after the last date of publication of this notice.

SECURITY FOR THE SERIES 2020 BONDS

The Series 2020 Bonds are to be issued under and secured by and entitled to the protection of the Master Resolution, pursuant to which all base rentals payable by Ivins City, Utah (the "City") under the Master Lease and, if paid by the City, the Purchase Option Price, are assigned to secure the payment of principal of, interest on, and premium, if any on the Series 2020 Bonds. Additionally, a security interest in the Project shall be granted to the holders of this Series 2020 Bonds pursuant to the Master Lease, to further secure the Authority's obligations under the Master Resolution.

OUTSTANDING BONDS SECURED BY LEASE REVENUES

The Authority currently has $0 of bonds outstanding secured by lease revenues.

OTHER OUTSTANDING BONDS OF THE AUTHORITY

Information regarding all of the Authority's outstanding bonds may be found in the City's audited financial report (the "Financial Report") at https://reporting.auditor.utah.gov/searchreport. For additional information, including any more recent than as of the date of the Financial Report please contact, Lane Mecham, Finance Director at (435) 628-0606.

TOTAL ESTIMATED COST

Based on an estimate of the current interest rate and financing plan, the estimated total debt service cost of the Bonds, if held until maturity, is $3,207,375.00.

NOTICE IS FURTHER 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 Master Resolution, Master Lease, Deed of Trust, Ground Lease, 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 the City, may sign a written petition requesting an election to authorize the issuance of the Series 2020 Bonds. If written petitions which have been signed by at least twenty percent (20%) of the registered voters of the City are filed with the Authority during said thirty (30) day period, the Authority shall be required to hold an election to obtain voter authorization prior to the issuance of the Series 2020 Bonds. If fewer than twenty percent

(20%) of the registered voters of the City file a written petition during said thirty (30) day period, the Authority may proceed to issue the Series 2020 Bonds without an election.

DATED this August 6, 2020.

/s/Dennis Mehr
Secretary-Treasurer

Section 10. The Authority hereby expresses its intent that funds of the City or the Authority may be advanced for Project costs and that it intends to reimburse such costs from proceeds of the Series 2020 Bonds.

Section 11. The Authority hereby reserves the right to opt not to issue the Series 2020 Bonds for any reason.

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.

APPROVED AND ADOPTED this August 6, 2020.

(SEAL)

By:_____
Chair/President

ATTEST:

By:_____
Secretary-Treasurer

(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:_____
Chair/President

ATTEST:

By:_____
Secretary-Treasurer