SECOND AMENDMENT TO GOVERNING DOCUMENT

FOR

BLACK DESERT PUBLIC INFRASTRUCTURE DISTRICT

IN IVINS CITY, WASHINGTON COUNTY, UTAH

Approved by the City: _____, 2023

Approved by the District: _____, 2023

Amending the Governing Document

Approved on July 15, 2021, and previously amended on July 8, 2022

SECOND AMENDMENT TO GOVERNING DOCUMENT

This SECOND AMENDMENT TO GOVERNING DOCUMENT, (the "First Amendment"), amends and supplements the Governing Document for the Black Desert Public Infrastructure District (the "District") approved by the City Council of Ivins City, Utah (the "City") on July 15, 2021, as previously amended by the First Amendment approved by the City on June 2, 2022 (the "Amended Governing Document"). This Second Amendment shall become effective upon passage of resolutions of the City and the District approving this Second Amendment (the latter date being the "Effective Date"), in accordance with the provisions of the Amended Governing Document.

I. Purpose and Intent of Second Amendment

This Second Amendment is necessary due to the unprecedented increase in costs to construct Public Improvements in the Project. The purpose of this Second Amendment is to authorize the District to (A) issue Assessment Bonds (defined herein) as permitted by the PID Act, pursuant to and for the purposes outlined in the Assessment Act (defined herein) within the boundaries of the District, and (B) to eliminate the Debt issuance limitation in the Amended Governing Document, with the Maximum Property Tax Levy to remain in effect.

II. Additional Definitions

The Amended Governing Document is hereby amended to include the following definitions:

Assessment Act: means Title 11, Chapter 42, Utah Code as may be amended from time to time.

Assessment Bonds: means Bonds, for the payment of which the Districts have promised to collect Assessments.

III. Exemption for Assessment Bonds

The restrictions on funding of improvements outlined in V.A.1 of the Amended Governing Document shall not apply to Assessment Bonds or proceeds of Assessment Bonds issued in accordance with the provisions of the Assessment Act.

IV. Elimination of Debt Issuance Limitation

The Debt issuance limitation contained in V.A.9 and VIII.A. of the Amended Governing Document shall be deleted and shall no longer apply to bonds issued by the District in the future. The Maximum Property Tax Levy of 0.01 per dollar of taxable value of taxable property in the District shall remain in effect with respect to current and future Limited Tax Debt. For the avoidance of doubt, there is no limit to the amount of Bonds the District may issue, so long as such issuance is in accordance with the provisions of the PID Act, the C-PACE Act, and/or the

Assessment Act (as may apply), and so long as any Limited Tax Debt remains limited by the Maximum Property Tax Levy.

V. Effective Date; Second Amendment Construed with Governing Document

This Second Amendment shall become effective immediately upon adoption of resolutions of the City Council and the Board, each approving such Second Amendment. All of the provisions of this Second Amendment supplement and amend the Amended Governing Document, and shall be deemed to be, and shall be construed as, part of the Amended Governing Document to the same extent as if fully set forth therein.

SECOND AMENDMENT TO INTERLOCAL AGREEMENT BETWEEN

IVINS CITY, UTAH
AND
BLACK DESERT PUBLIC INFRASTRUCTURE DISTRICT

THIS SECOND AMENDMENT is made and entered into as of this ___ day of _____, 2023, and amends that Interlocal Agreement by and between the Ivins City, Utah, a municipal corporation ("City"), and Black Desert Public Infrastructure District, a political subdivision of the State of Utah (the "District") dated July 15, 2021, and previously amended July 8, 2022 (the "Amended Interlocal Agreement"). The City and the District are collectively referred to as the Parties.

RECITALS

WHEREAS, the District was organized to provide to exercise powers as are more specifically set forth in the District's Governing Document approved by the City on July 15, 2021, as amended (the "Amended Governing Document"); and

WHEREAS, the City and the District desire to amend the Amended Governing Document and the Amended Interlocal Agreement to authorize the District to issue bonds and other forms of debt and financings (together, "Assessment Bonds") pursuant to and for the purposes outlined in the Assessment Area Act, Title 11, Chapter 42, Utah Code (the "Assessment Act"), to exempt such Assessment Bonds from certain limitations of the Amended Governing Document, and make additional changes in connection therewith; and

WHEREAS, pursuant to the PID Act, a District is permitted to issue bonds under the Assessment Act; and

WHEREAS, the City and the District have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Second Amendment to Interlocal Agreement ("Amendment").

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Defined Terms. Capitalized terms used in the Amended Interlocal Agreement and herein and not otherwise defined shall have the meanings ascribed to them in the Amended Governing Document, as may be amended from time to time (including as amended herewith).

2. Exemption for Assessment Bonds. The restrictions on funding of improvements outlined in Section 6 of the Amended Interlocal Agreement shall not apply to Assessment Bonds or proceeds of Assessment Bonds issued in accordance with the provisions of the Assessment Act.

3. Elimination of Debt Issuance Limitation. The Debt issuance limitation contained in Section 8 of the Amended Interlocal Agreement shall be deleted and shall no longer apply to bonds issued by the District. The Maximum Property Tax Levy of 0.01 per dollar of taxable value of taxable property in the District shall remain in effect with respect to Limited Tax Debt. For the avoidance of doubt, there is no limit to the amount of Bonds the District may issue, so long as such issuance is in accordance with the provisions of the PID Act, the C-PACE Act, and/or the Assessment Act (as may apply), and so long as any Limited Tax Debt remains limited by the Maximum Property Tax Levy.

4. Effective Date. These amendments shall become effective upon the execution hereof.

[SIGNATURE PAGE TO SECOND AMENDMENT TO INTERLOCAL AGREEMENT]

BLACK DESERT PUBLIC
INFRASTRUCTURE DISTRICT

By: _____
Chair

Attest:

_____
Secretary

IVINS, UTAH

By: _____
Mayor

Attest:

By: _____
Its: _____

APPROVED AS TO FORM: _____