RESOLUTION NO. 23-2018

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOAB, UTAH (THE "ISSUER"), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN $16,700,000 AGGREGATE PRINCIPAL AMOUNT OF WASTEWATER REVENUE AND REFUNDING BONDS SERIES 2018; 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 AND SETTING A PUBLIC HEARING DATE; AUTHORIZING THE EXECUTION BY THE ISSUER OF A MASTER RESOLUTION, BOND PURCHASE AGREEMENT, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the City Council (the "Council") of City of Moab, Utah (the "Issuer") desires to (a) finance the acquisition and construction of improvements to the Issuer’s water and/or wastewater system (the "System") and all related improvements (collectively, the “Project”), (b) refund all or a portion of the Issuer’s outstanding wastewater revenue bonds (the “Refunded Bonds”), (c) fund a debt service reserve fund, if necessary, and (d) pay costs of issuance with respect to the Series 2018 Bonds herein described; and

WHEREAS, to accomplish the purposes set forth in the preceding recital, and subject to the limitations set forth herein, the Issuer desires to issue its Wastewater Revenue and Refunding Bonds, Series 2018 (the “Series 2018 Bonds”) (to be issued from time to time, as one or more series and with such other series or title designation(s) as may be determined by the Issuer), pursuant to (a) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (together, the “Act”), (b) this Resolution, and (c) a Master Resolution (the "Master Resolution"), in substantially the form presented to the meeting at which this Resolution was adopted and which was attached hereto as Exhibit B; and

WHEREAS, the Act provides that prior to issuing bonds, an issuing entity must (a) give notice of its intent to issue such bonds and (b) hold a public hearing to receive input from the public with respect to (i) the issuance of the bonds and (ii) the potential economic impact that the improvement, facility or property for which the bonds pay all or part of the cost will have on the private sector; and
WHEREAS, the Issuer desires to call a public hearing for this purpose and to publish a notice of such hearing with respect to the Series 2018 Bonds, including a notice of bonds to be issued, in compliance with the Act; and

WHEREAS, the Council desires to approve and authorize a Bond Purchase Agreement (the “Bond Purchase Agreement”), to be entered into between the Issuer and the purchaser selected by the Issuer for the Series 2018 Bonds (the “Purchaser”), as required, in substantially the form attached hereto as Exhibit C; and

WHEREAS, in order to allow the Issuer, flexibility in setting the pricing date of the Series 2018 Bonds, the Council desires to grant to the Mayor (or Mayor Pro Tem) and the City Manager (together, the “Designated Officer”), the authority to select the Purchaser, to approve the final interest rates, principal amounts, terms, maturities, redemption features, and purchase price at which the Series 2018 Bonds shall be sold, and to make any changes with respect thereto from those terms which were before the Council at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the “Parameters”);

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

Section 1. For the purpose of financing the Project, refunding the Refunded Bonds, funding a debt service reserve fund, if necessary, and paying costs of issuance of the Series 2018 Bonds, the Issuer hereby authorizes the issuance of the Series 2018 Bonds which shall be designated “City of Moab, Utah Wastewater Revenue and Refunding Bonds, Series 2018” (to be issued from time to time as one or more series and with such other series or title designation(s) as may be determined by the Issuer) in the initial aggregate principal amount of not to exceed $16,700,000. The Series 2018 Bonds shall mature in not more than twenty-one (21) years from their date or dates, shall be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, shall bear interest at a rate or rates not to exceed four percent (4.0%) per annum, and shall be non-callable or subject to redemption, all as shall be approved by the Designated Officer, all within the Parameters set forth herein.

Section 2. The Master Resolution and the Bond Purchase Agreement, in the forms presented at this meeting and attached hereto as Exhibits B and C, respectively, are hereby authorized, approved, and confirmed. The Mayor and the City Recorder (or designee, collectively, the “City Recorder”) are hereby authorized to execute and deliver the Master Resolution and the Bond Purchase Agreement, in substantially the forms or with substantially the content as the forms presented at this meeting for and on behalf of the Issuer, with final terms as may be established 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. The Designated Officer is hereby authorized to select the Purchaser, to specify and agree as to the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Series 2018 Bonds for and on behalf of the Issuer by execution of the Master Resolution, and Bond Purchase Agreement, provided that such terms are within the Parameters set by this Resolution.
Section 3. The Designated Officer or other appropriate officials of the Issuer are authorized to make any alterations, changes, deletions, or additions to the Master Resolution, the Series 2018 Bonds, the Bond Purchase Agreement or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2018 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 Council or the provisions of the laws of the State of Utah or the United States. The execution thereof by the Mayor on behalf of the Issuer of the documents approved hereby shall conclusively establish such necessity, appropriateness, and approval with respect to all such additions, modifications, deletions, and changes incorporated therein.

Section 4. The form, terms, and provisions of the Series 2018 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 Mayor and City Recorder are hereby authorized and directed to execute and seal the Series 2018 Bonds and to deliver said Series 2018 Bonds to for authentication. The signatures of the Mayor and the City Recorder may be by facsimile or manual execution.

Section 5. The Designated Officer or other appropriate officials of the Issuer are hereby authorized and directed to execute and deliver to the Purchaser the Series 2018 Bonds in accordance with the provisions of the Master Resolution.

Section 6. Upon their issuance, the Series 2018 Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2018 Bonds and the Master Resolution. No provision of this Resolution, the Master Resolution, the Series 2018 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.

Section 7. The Designated Officer or other 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 (including, without limitation, tax compliance agreements) 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. The Issuer shall hold a public hearing on August 28, 2018 to receive input from the public with respect to (a) the issuance of the Series 2018 Bonds, and (b) the potential economic impact that the improvements to be financed with the proceeds of the Series 2018 Bonds issued under the Act will have on the private sector, which hearing date shall not be less than fourteen (14) days after notice of the public hearing is first published and such publication shall be made (i) once a week for two consecutive weeks in the Times Independent, a newspaper of general circulation in the Issuer, (ii) on the Utah Public Notice Website created under Section 63F-1-701, Utah Code Annotated 1953, as amended, and
(iii) on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended. The City Recorder shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the City of Moab 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 the newspaper 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 pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Bond Act”), and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the “Refunding Bond Act” and collectively with the Bond Act, the “Act”), that on July 25, 2018, the City Council (the “Council”) of the City of Moab, Utah (the “Issuer”), adopted a resolution (the “Resolution”) in which it authorized the issuance of the Issuer’s Wastewater Revenue and Refunding Bonds, Series 2018 (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Issuer) (the “Series 2018 Bonds”), and called a public hearing to receive input from the public with respect to the issuance of the Series 2018 Bonds.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on August 28, 2018, at the hour of 7:00 p.m. at 217 East Center Street, Moab, Utah. The purpose of the hearing is to receive input from the public with respect to (a) the issuance of the Series 2018 Bonds and (b) any potential economic impact that the Project to be financed with the proceeds of the Series 2018 Bonds may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE SERIES 2018 BONDS

The Series 2018 Bonds will be issued for the purpose of (a) financing the acquisition and construction of improvements to the Issuer’s water and/or wastewater system (the “System”) and all related improvements (collectively, the “Project”), (b) refunding all or a portion of the Issuer’s outstanding wastewater revenue bonds (the “Refunded Bonds”), (c) funding a debt service reserve fund, as necessary, and (d) paying costs of issuance of the Series 2018 Bonds. The Issuer notes that the currently outstanding debt secured by the System shall not increase by more than $2,500,000 (double check with Alex) as a result of the Refunded Bonds component.

PARAMETERS OF THE SERIES 2018 BONDS

The Issuer intends to issue the Series 2018 Bonds in the aggregate principal amount of not more than Sixteen Million Seven Hundred Thousand Dollars ($16,700,000), to mature in not more than twenty-one (21) years from their date or dates, to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, and bearing interest at a rate or rates not to exceed four percent (4.0%) per annum. The Series 2018 Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a Master Resolution (the “Master Resolution”) which was before the Council at the time of the adoption of the Resolution and said Master Resolution is to be executed by the Issuer in such form and with such changes thereto as shall be approved by the Issuer; provided that the principal amount, interest rate or rates, maturity, and discount of the Series 2018 Bonds will not exceed the maximums set forth above. The Issuer reserves the right to not issue the Series 2018 Bonds for any reason and at any time up to the issuance of the Series 2018 Bonds.
REVENUES TO BE PLEDGED

The Series 2018 Bonds are special limited obligations of the Issuer payable from the net revenues of the Issuer’s System.

OUTSTANDING BONDS SECURED BY THE REVENUES

The Issuer currently has $14,200,000 of bonds outstanding secured by the Revenues all of which are currently anticipated to be refunded with the proposed Series 2018 Bonds, along with an estimated $2,500,000 for new projects, for an estimated total outstanding par of $16,700,000, once the Series 2018 Bonds are issued.

OTHER OUTSTANDING BONDS OF THE ISSUER

Additional information regarding the Issuer’s outstanding bonds may be found in the Issuer’s financial report (the “Financial Report”) at: http://secure.utah.gov/auditor-search/. For additional information, including any information more recent than as of the date of the Financial Report, please contact the City Manager (435) 259-5121.

TOTAL ESTIMATED COST OF BONDS

Based on the Issuer’s current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Series 2018 Bonds to be issued under the Act to finance the 2018 Project, if held until maturity, is $19,188,957.

A copy of the Resolution and the Master Resolution are on file in the office of the City of Moab Recorder, 217 East Center Street, Moab, Utah, where they may be examined during regular business hours of the City Recorder 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 date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the 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 Master Resolution (as it pertains to the Series 2018 Bonds), or the Series 2018 Bonds, or any provision made for the security and payment of the Series 2018 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.

DATED this July 25, 2018.

/s/Danielle Guerrero
Deputy City Recorder
Section 10. The Issuer hereby declares its intention and reasonable expectation to use proceeds of tax-exempt to reimburse itself for initial expenditures for costs of the Project. The Series 2018 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 paid. The maximum principal amount of the Series 2018 Bonds which will be issued to finance the reimbursed costs of the Project is not expected to exceed $2,500,000.

Section 11. 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.

Section 12. Upon the issuance of the Series 2018 Bonds, this Resolution shall be and remain irrepealable until the principal of, premium, if any, and interest on the Series 2018 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Master Resolution.
APPROVED AND ADOPTED this July 25, 2018.

(SEAL)

CITY OF MOAB, UTAH

Mayor

ATTEST:

Danielle Summers
Deputy City Recorder
(Here follows business not pertinent to the above.)

Pursuant to motion duly made and seconded, the City Council adjourned.

(SEAL)

Mayor

ATTEST:

[Signature]
Deputy City Recorder

Parameters Resolution
STATE OF UTAH

COUNTY OF GRAND

I, Danielle Guerrero, the duly appointed and qualified Deputy City Recorder of the City of Moab, Utah (the “City”), does hereby certify according to the records of the City Council of the City (the “City Council”) 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 July 25, 2018, 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 July 25, 2018, and pursuant to the Resolution, there will be published a Notice of Public Hearing and Bonds to be Issued (a) once a week for two consecutive weeks in the Times Independent, a newspaper having general circulation within the City, (b) on the Utah Public Notice Website created under Section 63F-1-701, Utah Code Annotated 1953, as amended, and (c) on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said City, this July 25, 2018.

(SEAL)

By: Danielle Guerrero
Deputy City Recorder
EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Danielle Guerrero, the undersigned Deputy City Recorder of the City of Moab, Utah (the "City"), do hereby certify, according to the records of the City in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, 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 July 25, 2018, public meeting held by the City Council of the City (the "City Council") as follows:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the principal offices of the City on July 20, 2018, 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;

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be posted on the Utah Public Notice Website (http://pmn.utah.gov) at least twenty-four (24) hours prior to the convening of the meeting; and

(c) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to the Times Independent pursuant to its subscription to the Utah Public Notice Website (http://pmn.utah.gov), at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2018 Annual Meeting Schedule for the City Council (attached hereto as Schedule 2) was given specifying the date, time, and place of the regular meetings of the City Council to be held during the year, by causing said Notice to be (a) posted on January 18, 2018, at the principal office of the City Council, (b) published on the Utah Public Notice Website (http://pmn.utah.gov) during the current calendar year and (c) provided to at least one newspaper of general circulation within the City pursuant to its subscription to the Utah Public Notice Website (http://pmn.utah.gov).

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this July 25, 2018.

(SEAL)

By: Danielle Guerrero
Deputy City Recorder

Attachments:
SCHEDULE 1 - NOTICE OF MEETING
SCHEDULE 2 - ANNUAL MEETING SCHEDULE
Proof of Publication of Notice Bonds to be Issued