

Kanab, Utah

August 14, 2012

The Mayor and City Council of Kanab City, Kane County, Utah met in regular session at its regular meeting place in said Municipality at 7:00 p.m. on the 14th day of August, 2012, with the following members of the Governing Body present:

Nina Laycook	Mayor
Cheryl Brown	Councilmember
Kirt Carpenter	Councilmember
Ed Meyer	Councilmember
James Sorenson	Councilmember
Joe B. Wright	Councilmember

Also present:

Duane Huffman	City Recorder
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Absent:

<u>Cheryl Brown</u>	<u>Councilmember</u>
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After the meeting had been duly called to order and after other matters not pertinent to this Bond Resolution had been discussed, the City Recorder presented to the Mayor and City Council a Certificate of Compliance With Open Meeting Law with respect to this August 14, 2012, meeting.

STATE OF UTAH)
): SS.
COUNTY OF KANE)

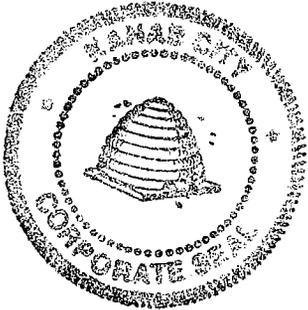
I, DUANE HUFFMAN, the undersigned City Recorder of Kanab City, Kane County, Utah (the "City") do hereby certify according to the records of the City in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the August 14, 2012, public meeting held by the City as follows:

(a) By causing a Notice, in the form attached hereto as Schedule "A", to be posted at the City's principal offices on August 13, 2012, 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 "A", to be delivered to the Southern Utah News, at least twenty four (24) hours prior to the convening of the meeting.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this 14th day of August, 2012.

(SEAL)





City Recorder

NOTICE OF AGENDA OF REGULAR MEETING

* * * * *

PLEASE TAKE NOTICE that the Mayor and members of the City Council of Kanab City, Kane County, State of Utah, will hold a Regular Meeting on Tuesday, the 14th day of August, 2012, at its regular meeting place, the Kane County Commission Chambers, 76 North Main Street, Kanab, Utah, at the hour of 7:00 o'clock P.M.

The Agenda for the meeting consists, in part, of the following:

- (1) Consideration for and adoption of a Parameter Resolution authorizing the issuance of Parity Street Improvement Revenue Bonds of Kanab City, Kane County, Utah and the calling of a public hearing to receive input with respect to the issuance of such Bonds and any potential impact to the private sector from the construction of the Project; and
- (2) Any other business that may come before said meeting.

DATED this 13th day of August, 2012.



City Recorder

Thereupon, after the conduct of other business not pertinent to the following, the following resolution was introduced in written form by the Mayor and, pursuant to motion duly made by Ed Meyer and seconded by James Sorenson, was adopted and approved by the following vote:

Yea: ~~Cheryl Brown~~ Absent
Kirt Carpenter
Ed Meyer
James Sorenson
Joe B. Wright

Nay: None

The Resolution was thereupon signed by the Mayor, was attested and countersigned by the City Recorder and was ordered recorded in the official records of the Issuer.

The Resolution is as follows:

KANAB CITY, KANE COUNTY, UTAH
RESOLUTION NO. 8-1-12 R

A RESOLUTION AUTHORIZING THE ISSUANCE OF PARITY STREET IMPROVEMENT REVENUE BONDS (THE "BONDS") OF KANAB CITY, KANE COUNTY, UTAH (THE "ISSUER"); CALLING A PUBLIC HEARING AND ESTABLISHING A TIME, PLACE AND LOCATION FOR SAID PUBLIC HEARING; PROVIDING FOR A PLEDGE OF EXCISE TAX REVENUES FOR THE PAYMENT 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; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AND RELATED MATTERS.

WHEREAS the Issuer, Kanab City, Kane County, State of Utah, considers it desirable and necessary and for the benefit of the Issuer and its inhabitants to construct street improvements, including the installation of storm drainage pipelines, manholes and inlet structures, together with all related work and improvements (the "Project") and to defray all or a portion of the cost thereof from the bonds to be issued hereby, but does not have on hand money sufficient to pay for the Project; and

WHEREAS the Issuer desires to issue its Parity Street Improvement Bonds in an amount not to exceed \$250,000 (the "Bonds"), the payment of which shall be secured as herein provided; and

WHEREAS the revenues to be derived pledge the excise tax funds received by the Issuer (as hereinafter defined) have not been pledged or hypothecated in any manner or for any purpose except to pay principal and interest on Issuer's Street Improvement Bond, Series 2005 in the original principal amount of \$250,000 payable to the Utah Permanent Community Impact Fund Board and its Parity Street Improvement Bond, Series 2011 in the original principal amount of \$200,000 payable to the Utah Permanent Community Impact Fund Board (the "Prior Lien Bonds") and the Issuer desires to issue its Parity Street Improvement Bonds payable from such revenues in the manner for which provision is hereinafter made in order to pay all or part of the cost of the Project; and

WHEREAS the Utah Local Government Bonding Act, Sections 11-14-1 et seq., Utah Code Annotated, 1953, as amended, authorizes the issuance of non-voted revenue bonds payable in whole or in part from excise tax revenues of cities, towns or counties, levied and collected by the said government entity or levied by the State of Utah and rebated pursuant to law; and

WHEREAS the Utah Local Government Bonding Act, Sections 11-14-1 et seq., Utah Code Annotated, 1953, as amended, provides that, prior to issuing bonds 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 such bonds and any potential economic impact to the private sector from the construction of the Project to be funded by 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 State of Utah acting through its Permanent Community Impact Fund Board ("Community Impact Board") has offered to purchase the Parity Street Improvement Revenue Bonds at an interest rate not to exceed 3.0% per annum and on the general and special terms and conditions as set forth herein; and

WHEREAS it is now desired to authorize issuance, and to the extent necessary to make them valid, confirm the sale of the not to exceed \$250,000 Parity Street Improvement Revenue Bonds (the "Bonds") to the Community Impact Board;

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Mayor and City Council of Kanab City, Kane County, State of Utah, as follows:

Section 1. The Mayor and City Council (the "Governing Body") of Kanab City, Kane County, Utah (the "Issuer"), hereby finds and determines that it is in the best interests of the residents within Kanab City for the Issuer to issue its Parity Street Improvement Revenue Bonds (the "Bonds")

in the principal amount of not to exceed \$250,000 at an interest rate not to exceed 3.0% per annum, to mature in not more than ten (10) years from their date or dates, and to be sold at a price not less than 100% of the total principal amount thereof, pursuant to a resolution to be adopted by the Governing Body authorizing and confirming the issuance and sale of the Bonds. The Bonds are to be issued for the purpose of paying all or part of the cost of constructing street improvements, including the installation of storm drainage pipelines, manholes and inlet structures, together with all related work and improvements (the "Project"). The Issuer hereby declares its intention to issue the Bonds according to the provisions of this section; provided, however, that the Bonds shall only be issued by the Issuer after adoption of a final bond resolution by the Governing Body of the Issuer (the "Final Bond Resolution") setting forth the specific terms of the Bonds within the maximum terms herein provided.

Section 2. The Issuer proposes to pledge the excise tax funds received by the Issuer pursuant to Sections 72-2-107 and 72-2-108, Utah Code Annotated, as amended, for the repayment of the Bonds.

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

PUBLIC NOTICE IS HEREBY GIVEN that on August 14, 2012, the Mayor and City Council of Kanab City (the "Issuer"), adopted a resolution (the "Resolution") declaring its intention to issue its Parity Street Improvement Revenue Bonds (the "Bonds") pursuant to the Utah 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 September 11, 2012, at the hour of 7:00 p.m. The location of the public hearing is in the Kane County Commission Chambers, 76 North Main Street, Kanab, Utah. The purpose of the meeting 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 purpose of (i) financing a portion of the cost of constructing street improvements, including the installation of storm drainage pipelines, manholes and inlet structures, together with all related work and improvements (the "Project"); and (ii) paying costs of issuing the Bonds.

PARAMETERS OF THE BONDS

The Issuer intends to issue the Bonds in the principal amount of not to exceed \$250,000, to bear interest at a rate not to exceed 3.0% per annum, to mature in not to more than 10 years from

their date or dates, and to be sold at a price not less than 100% of the total principal amount thereof, plus accrued interest to the date of delivery. The Bonds will specify that any installment of principal on the Bonds which shall not be paid when due shall bear interest at the rate of 18% per annum from the due date thereof until paid.

EXCISE TAXES PROPOSED TO BE PLEDGED

The Issuer proposes to pledge all of the excise tax revenues received by the Issuer pursuant to Sections 72-2-107 and 72-2-108, Utah Code Annotated 1953, as amended for the repayment of the Bonds.

A copy of the Resolution is on file in the office of the City Recorder in Kanab City, Utah, where it may be examined during regular business hours of the City Recorder from 9:00 a.m. to 5:00 p.m., Monday through Friday, for a period of at least 30 days from and after date of the last date of publication of this Notice.

NOTICE IS FURTHER GIVEN that a period of 30 days from and after the last date of 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 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 in Kanab City, Utah, 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 Kanab City, Utah, 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 Kanab City, Utah, file a written petition during said 30-day period, the Issuer may proceed to issue the Bonds without an election.

DATED this 14th day of August, 2012.

_____/s/ Duane Huffman_____
City Recorder

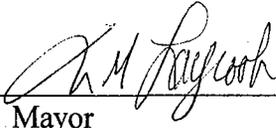
[Publish once each week for two consecutive weeks.]

* * * * *

Section 5. 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.

PASSED AND APPROVED this 14th day of August, 2012

KANAB CITY

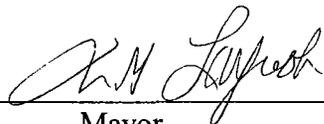
By 
Mayor

ATTEST AND COUNTERSIGN:

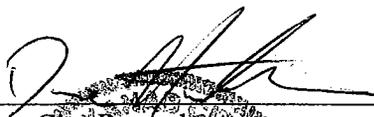
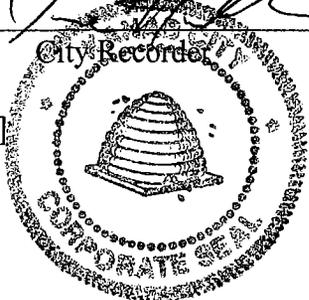
By 
[SEAL] 

After the conduct of other business not pertinent to the foregoing, it was moved and carried that the Mayor and City Council adjourn.

KANAB CITY

By 
Mayor

ATTEST:

By 
[SEAL] 

STATE OF UTAH)
 : ss.
COUNTY OF KANE)

I, DUANE HUFFMAN, the undersigned, do hereby certify that I am the duly qualified and acting City Recorder of Kanab City, Kane County, Utah (the "Issuer"). I further certify that the above and foregoing constitutes a true and correct copy of the minutes of a regular public meeting of the Mayor and City Council of the Issuer, held on August 14, 2012, including a Resolution adopted at such meeting, together with exhibits and appendices attached thereto, as said minutes, resolution and appendices are recorded in the regular official book of minutes of the proceedings of the Governing Body kept in the office of the City Recorder that said proceedings were duly had and taken as therein shown, that the meeting thereon shown was in all respects called, held and conducted in accordance with law, and that the persons therein named were present at said meeting, as therein shown.

I further certify and I caused a true and correct copy of the above-referenced resolution (including all exhibits and appendices attached thereto) to be filed in the office of the City Recorder for examination by any interested person during the regular business hours of the office of the City Recorder.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of the Issuer, this 14th day of August, 2012.

[SEAL]





City Recorder