

RESOLUTION No. 40324A

ROLL CALL

VOTING	YES	NO
KURT L CHRISTENSEN Mayor (votes only in case of tie)		
TIM De GRAW City Councilmember	Ⓟ	
KELLY PETERSON City Councilmember	KP	
CRISTY SIMONS City Councilmember	CS	
CYNTHIA DEVERAUX REES City Councilmember	CR	
PAUL TAYLOR City Councilmember	Ⓟ	PT



ENT 30369:2024 PG 1 of 57
ANDREA ALLEN
UTAH COUNTY RECORDER
 2024 May 9 03:23 PM FEE 0.00 BY KR
 RECORDED FOR SALEM CITY

I MOVE this resolution be adopted: C. Simons
 City Councilmember

I SECOND the foregoing motion: Cynthia Deveraux Rees
 City Councilmember

**AN RESOLUTION CREATION OF FIELDS ESTATES (PID) PUBLIC
 INFRASTRUCTURE DISTRICT NOS. 1**

The resolution was later signed by the Mayor and recorded by the City Recorder in the official records of the City. The resolution is as follows:

RESOLUTION 40324A

A RESOLUTION OF THE CITY COUNCIL (THE "COUNCIL") OF THE CITY OF SALEM, UTAH (THE "CITY"), PROVIDING FOR THE CREATION OF FIELDS ESTATES PUBLIC INFRASTRUCTURE DISTRICT (THE "DISTRICT") AS AN INDEPENDENT BODY CORPORATE AND POLITIC; AUTHORIZING AND APPROVING A GOVERNING DOCUMENT, AN INTERLOCAL AGREEMENT, AND A NOTICES OF BOUNDARY ACTION; DELEGATING TO CERTAIN OFFICERS OF THE CITY THE AUTHORITY TO EXECUTE AND APPROVE THE FINAL TERMS AND PROVISIONS OF THE GOVERNING DOCUMENT, THE INTERLOCAL AGREEMENT, THE NOTICES OF BOUNDARY ACTION AND ANY OTHER DOCUMENTS RELATED THERETO; APPROVING OF AN ANNEXATION AREA; AUTHORIZING THE DISTRICT TO PROVIDE SERVICES RELATING TO THE FINANCING AND CONSTRUCTION OF PUBLIC INFRASTRUCTURE WITHIN THE ANNEXATION AREA; AUTHORIZING THE DISTRICT TO PROVIDE SERVICES RELATING TO THE FINANCING AND CONSTRUCTION OF PUBLIC INFRASTRUCTURE WITHIN THE DISTRICT AREA; APPOINTING A BOARD OF TRUSTEES FOR THE DISTRICT; AUTHORIZING OTHER DOCUMENTS IN CONNECTION THEREWITH; AND RELATED MATTERS.

WHEREAS, a petition (the "Petition") was filed with the City requesting adoption by resolution the approval of the creation of a public infrastructure district pursuant to the Public Infrastructure District Act, Title 17D, Chapter 4, Utah Code Annotated 1953, as amended (the "PID Act") and relevant portions of the Limited Purpose Local Government Entities - Special Districts, Title 17B (together with the PID Act, the "Act") within the boundaries of the City and approve an annexation area (the "Annexation Area") which the District may annex into therein without further approval or hearings of the City or the Council, as further described in Governing Document Exhibits A and C (as hereinafter defined) for the purpose of financing public infrastructure costs; and

WHEREAS, pursuant to the terms of the Act, the City may create one or more public infrastructure districts by adoption of a resolution of the Council and with consent of 100% of all surface property owners proposed to be included in the District (the "Property Owners"); and

WHEREAS, the Petition, containing the consent of such Property Owners has been certified by the Recorder of the City pursuant to the Act and it is in the best interests of the Property Owners that the creation of the District be authorized in the manner and for the purposes hereinafter set forth; and

WHEREAS, the City prior to consideration of this Resolution, held a public hearing after 7:00 p.m. to receive input from the public regarding the creation of the District and the Property Owners have waived the 60-day protest period pursuant to Section 17D-4-201 of the PID Act; and

WHEREAS, it is necessary to authorize the creation of the District under and in compliance with the laws of the State of Utah and to authorize other actions in connection therewith; and

WHEREAS, the hearing on the Petition was held at the City Hall because there is no reasonable place to hold a public hearing within the District's boundaries, and the hearing at the City Hall was held as close to the applicable area as reasonably possible; and

WHEREAS, the City properly posted the notice of the public hearing in compliance with Section 17B-1-211(1) of the Act; and

WHEREAS, none of the Property Owners submitted a withdrawal of consent to the creation of the District before the public hearing on the Petition; and

WHEREAS, each board member appointed under this Resolution has previously filed with the City a disclosure of business relationships in compliance with Section 17D-4-202(9) of the PID Act; and

WHEREAS, according to attestations filed with the City, each board member appointed under this Resolution is registered to vote at their primary residence and is further eligible to serve as a board member of the District under Section 17D-4-202(3)(c) of the PID Act because they are agents of property owners within the District boundaries (as further set forth in the Petition); and

WHEREAS, the governance of the District shall be in accordance with the PID Act and the terms of a governing document (the "Governing Document") attached hereto as Exhibit B and an Interlocal Agreement between the City and the District, attached to the Governing Document as Governing Document Exhibit D; and

WHEREAS, pursuant to the requirements of the Act, there shall be signed, authenticated, and submitted to the Office of the Lieutenant Governor of the State of Utah a Notices of Boundary Action attached hereto as Exhibit C (the "Boundary Notices") and a Final Entity Plat to be attached thereto as Boundary Notices Appendix B (or as shall be finalized in accordance with the boundaries approved hereunder) (the "Plat").

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL, AS FOLLOWS:

1. Terms defined in the foregoing recitals shall have the same meaning when used herein. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Council and by officers of the Council directed toward the creation and establishment of the District, are hereby ratified, approved and confirmed.

2. The District is hereby created as a separate entity from the City in accordance with the Governing Document and the Act. The boundaries of the District shall be as set forth in the Governing Document and the Plat.

3. Pursuant to the terms of the PID Act, the Council does hereby approve the annexation of any area within the Annexation Area Boundaries into the District without any further action of the Council or the City and further approves withdrawal of any area within the Initial District Boundaries (as defined in the Governing Document) or Annexation Area Boundaries from the District without any further action, hearings, or resolutions of the Council or the City, upon compliance with the terms of the PID Act and the Governing Document.

4. The Council does hereby authorize the District to provide services relating to the financing and construction of public infrastructure within the Annexation Area upon annexation thereof into the District without further request of the District to the City to provide such service under 17B-1-407, Utah Code Annotated 1953 or resolutions of the City under 17B-1-408, Utah Code Annotated 1953.

5. It is hereby found and determined by the Council that the creation of the District is appropriate to the general welfare, order and security of the City, and the organization of the District pursuant to the PID Act is hereby approved.

6. The Governing Document and the Interlocal Agreement in the form presented to this meeting and attached hereto as Exhibits B and Governing Document Exhibit D are hereby authorized and approved and the District shall be governed by the terms thereof and applicable law.

7. The District Board for the Districts is hereby appointed as follows:

- (a) Trustee 1 – Pete Evans for an initial six-year term.
- (b) Trustee 2 – Terry Wade for an initial six-year term.
- (c) Trustee 3 – Bronson Tatton for an initial four-year term.

(d) Such terms shall commence on the date of issuance of a Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah.

8. The Council does hereby authorize the Mayor or a Councilperson to execute the Boundary Notices in substantially the form attached as Exhibit C and such other documents as shall be required to finalize the actions contemplated herein on behalf of the Council for submission to the Office of the Lieutenant Governor of the State of Utah.

9. Prior to certification of the creation of the District by the Office of the Lieutenant Governor of the State of Utah, the Council does hereby authorize the Mayor, a Councilperson, or their designee to make any corrections, deletions, or additions to the Governing Document, the Interlocal Agreement, and the Boundary Notices or any other document herein authorized and approved (including, but not limited to, corrections to the property descriptions therein contained) which may be necessary to conform the same to the intent hereof, 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 (provided that the debt and mill levy limitations established therein may not be modified pursuant to this provision).

10. The Board of Trustees of each District (the “District Board”) is hereby authorized and directed to record such Governing Document with the recorder of Utah County within thirty (30) days of the issuance of a Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah.

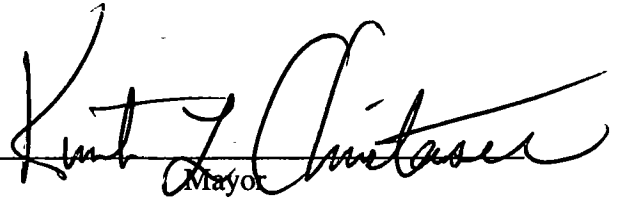
11. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.


12. All acts, orders and resolutions, and parts thereof in conflict with this Resolution be, and the same are hereby, rescinded.

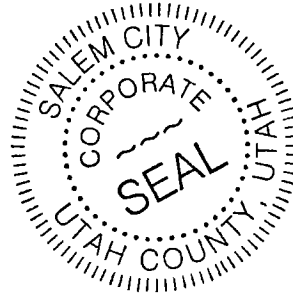
13. This resolution shall take effect immediately provided that, in the event that the Plat is not finalized for submission to the Office of the Lieutenant Governor until a date that is more than thirty (30) days after adoption of this Resolution, the effective date of this Resolution will be deemed to be the date the Plat is finalized, as certified in writing by any one of the Mayor, a Councilperson, or the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Salem, Utah, this April 3, 2024.

CITY OF SALEM, UTAH

By: 
Mayor

ATTEST:
By: 
City Recorder



(Here follows other business not pertinent to the above.)

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

By: Kurt J. Christensen
Mayer

ATTEST:
By: [Signature]
City Recorder



STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

I, Jeffrey D. Nielson, the undersigned duly qualified and acting City Recorder of the City of Salem, Utah ("the City"), do hereby certify as follows:

The foregoing pages are a true, correct, and complete copy of the record of proceedings of the City Council (the "Council"), had and taken at a lawful meeting of the Council on April 3, 2024, commencing at the hour of 7:00 p.m., as recorded in the regular official book of the proceedings of the Council kept in my office, and said proceedings were duly had and taken as therein shown, and the meeting therein shown was duly held, and the persons therein were present at said meeting as therein shown.

All members of the Council were duly notified of said meeting, pursuant to law.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City, this April 3, 2024.

(SEAL)



By: *Jeffrey D. Nielson*
City Recorder

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Jeffrey D. Nielson, the undersigned City Recorder of the City of Salem, Utah (the "City"), do hereby certify that I gave written public notice of the agenda, date, time and place of the regular meeting held by the Council (the "Council") on April 3, 2024, not less than twenty-four (24) hours in advance of the meeting. The public notice was given in compliance with the requirements of the Utah Open and Public Meetings Act, Section 52-4-202, Utah Code Annotated 1953, as amended, by:

(a) causing a Notice, in the form attached hereto as Schedule 1, to be posted at the City's principal offices 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;

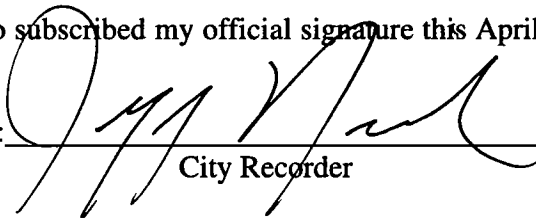
(b) causing a copy of such Notice, in the form attached hereto as Schedule 1, to be published on the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting; and

(c) causing a copy of such notice, in the form attached hereto as Schedule 1 to be posted on the City's official website at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2024 Annual Meeting Schedule for the Council (attached hereto as Schedule 2) was given specifying the date, time and place of the regular meetings of the Council of the City to be held during the year, by causing said Notice to be posted at least annually (a) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, (b) on the City's official website and (c) in a public location within the City that is reasonably likely to be seen by residents of the City.

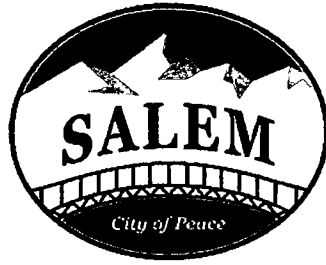
IN WITNESS WHEREOF, I have hereunto subscribed my official signature this April 3, 2024.



By: 
City Recorder

SCHEDULE 1

NOTICE OF MEETING AND AGENDA



Salem City Council Meeting will also be held electronically, using the Zoom program.
If you would like to participate, please call the city offices (801-423-2770) or email
(salemcity@salemcity.org) before 5:00 p.m. on Wednesday, April 3rd to request the link.

DATE: April 3, 2024 (City Council Chamber 30 West 100 South)

5:30 p.m.

Work Session

1. Senator Mike McKell
2. Fieldstone Homes – Cold Water Creek Development
3. NS PID (New Salem development)
4. Field Estates PID (Salem Fields development)
5. Agenda Item's Discussion

7:00 p.m.

AGENDA – REGULAR COUNCIL MEETING

1. Volunteer Motivational/Inspirational Message
2. Invitation to Say Pledge of Allegiance
3. Swearing In Police Officer
4. Youth Council Report
5. SF / Salem Chamber Report
6. Public Hearing
 - a. Zone Change - Alan Curtis R-5, C-1 to R-8 (Approx. 460 W 1710 N)
 - b. Field Estates Public Infrastructure District (Salem Fields development)
 - c. NS Public Infrastructure District (New Salem development)
7. Decision: Zone Change - Alan Curtis R-5, C-1 to R-8 (Approx. 460 W 1710 N)
8. Decision: Field Estates Public Infrastructure District (Salem Fields development)
9. Decision: NS Public Infrastructure District (New Salem development)
10. Decision: Reapproving Resolution – Arrowhead Springs PID District 2
11. Citizen Request: Michael and Susan Morris
12. Decision: UDOT Signal Cost Sharing Agreement (SR-164/1400 W/770 W)
13. Decision: Updating Salem City Cemetery Rules & Regulations
14. Decision: Meeting Minutes of March 6, 2024
15. Decision: Bills for Payment

DIRECTORS REPORTS

16. Chief Brad James, Public Safety Dept.
17. Steve Cox, Building Dept.
18. Walter Bird, Attorney
19. Jeffrey Nielson, Finance/Recorder
20. Matt Marziale, Manager
21. Adam Clements, Electrical Dept.
22. Bradey Wilde, Engineering Dept.
23. John Bowcut, Fiber Dept.

In compliance with the A.D.A., individuals needing special accommodations during this meeting should notify the Salem City Office at 30 W. 100 S. or call (801)423-2770 at least three working days prior to meeting.

Salem City Council Meeting
April 3, 2024 – page 2

COUNCIL REPORTS

24. Mayor Kurt L Christensen
 - a. Finances/Budget
 - b. City Employees
 - c. Miss Salem
 - d. UMPA Report
 - e. Public Safety

25. Councilperson Kelly Peterson
 - a. Power
 - b. Fiber
 - c. SUVPS Report

26. Councilperson Cristy Simons
 - a. Parks & Recreation
 - b. Chamber of Commerce
 - c. Youth Council

27. Councilperson Cynthia Deveraux Rees
 - a. Library
 - b. Solid Waste/Recycling

28. Councilperson Paul Taylor
 - a. Water (Primary & Secondary)
 - b. Mt Nebo & SUVMWA

29. Councilperson Tim De Graw
 - a. Sewer
 - b. Storm Drain
 - c. Roads & Trails

30. CLOSED SESSION -The Salem City Council may temporarily recess the regular meeting and convene in a closed session to discuss pending or reasonably imminent litigation; the purchase, exchange, or lease of real property or water; or to discuss the character, professional competence or physical or mental health of an individual as provided by Utah Code Annotated §52-4-205.

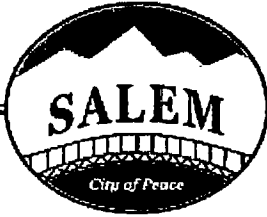
Please Note: If you have an item that you would like to have discussed before the City Council, please fill out a request form, which is available online at salemcity.org or at the City Office, and return it to the City Office by 5:00 p.m. the Thursday prior to the meeting you would like to attend.

In compliance with the A.D.A., individuals needing special accommodations during this meeting should notify the Salem City Office at 30 W. 100 S. or call (801)423-2770 at least three working days prior to meeting.

SCHEDULE 2

NOTICE OF ANNUAL MEETING SCHEDULE

Mayor
Kurt L Christensen



Salem City Corporation

"City of Peace"

City Council
Tim De Graw
Kelly Peterson
Cristy Simons
Delys Snyder
Seth Sorensen

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SALEM CITY COUNCIL MEETING 2024

COUNCIL MEETINGS WILL BE HELD ON THE FIRST AND THIRD WEDNESDAYS OF EACH MONTH, EXCEPT FOR DECEMBER WHEN ONLY ONE MEETING WILL BE HELD. ALL COUNCIL MEETINGS WILL BEGIN AT 7:00 P.M. WITH WORK SESSIONS BEING HELD PRIOR TO THE REGULAR MEETINGS. THEY WILL BE HELD IN THE SALEM CITY OFFICE BUILDING, COUNCIL CHAMBERS, 30 WEST 100 SOUTH

CALENDAR

JANUARY 3, 2024
JANUARY 17, 2024

JULY 3, 2024
JULY 17, 2024

FEBRUARY 7, 2024
FEBRUARY 21, 2024

AUGUST 7, 2024
AUGUST 21, 2024

MARCH 6, 2024
MARCH 20, 2024

SEPTEMBER 4, 2024
SEPTEMBER 18, 2024

APRIL 3, 2024
APRIL 17, 2024

OCTOBER 2, 2024
OCTOBER 16, 2024

MAY 1, 2024
MAY 15, 2024

NOVEMBER 6, 2024
NOVEMBER 20, 2024

JUNE 5, 2024
JUNE 19, 2024

DECEMBER 11, 2024

JEFFREY D. NIELSON, CITY RECORDER
KURT L. CHRISTENSEN, MAYOR

Approved November 1, 2023

30 West 100 South • P.O. Box 901 • Salem, UT 84653
Phone: 801-423-2770 • Fax: 801-423-2818 • SalemCity.org

Recorder - Jeffrey Nielson

Treasurer - Tammy M. Beck

Chief of Police - Brad S. James

EXHIBIT B
GOVERNING DOCUMENT

**GOVERNING DOCUMENT
FOR**

FIELDS ESTATES PUBLIC INFRASTRUCTURE DISTRICT

SALEM CITY, UTAH

April 3, 2024

**Prepared by:
Gilmore & Bell, P.C.
Salt Lake City, Utah**

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- EXHIBIT C** Initial District Boundary and Annexation Area Boundary Map
- EXHIBIT D** Public Improvements
- EXHIBIT E** Interlocal Agreement between the District and Salem City
- EXHIBIT F** Required Notice for Sales and Leasing Offices

I. INTRODUCTION

A. Purpose and Intent.

The District is an independent unit of local government, separate and distinct from the City, and, except as may otherwise be provided for by State or local law or this Governing Document, its activities are subject to review by the City only insofar as they may deviate in a material matter from the requirements of the Governing Document. It is intended that the District will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements. The District is not being created to provide any ongoing operations and maintenance services.

B. Need for the District.

There are currently no other governmental entities, including the City, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

C. Objective of the City Regarding District's Governing Document.

The City's objective in approving the Governing Document for the District is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the District. All Debt is expected to be repaid by taxes imposed and collected for no longer than the Maximum Debt Mill Levy Imposition Term and at a tax mill levy no higher than the Maximum Debt Mill Levy and/or repaid by Assessments. Debt, which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Governing Document is intended to establish a limited purpose for the District and explicit financial constraints that are not to be violated under any circumstances. The primary purpose is to provide for the Public Improvements associated with development and regional needs. Although the District has authority to directly provide public improvements, the District also has the authority to pledge tax revenues to an interlocal entity that provides public improvements.

It is the intent of the District to dissolve upon payment or defeasance of all Debt incurred or upon a determination that adequate provision has been made for the payment of all Debt.

The District shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from Assessments or from tax revenues collected from a mill levy which shall not exceed the Maximum Debt Mill Levy on taxable properties, and which shall not exceed

the Maximum Debt Mill Levy Imposition Term on taxable properties (or repaid from a combination of Assessments and a mill levy). It is the intent of this Governing Document to assure to the extent possible that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy in amount and that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy Imposition Term in duration even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters are not costs to be paid by the District.

D. Applicability.

This Governing Document is not intended to and does not create any rights in favor of any party other than the City. The failure of a District to comply with any terms or conditions of this Governing Document shall not relieve any property owner of an obligation to pay taxes, Assessments, fees other charges that are adopted or imposed by a District.

II. DEFINITIONS

In this Governing Document, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Annexation Area Boundaries: means the boundaries of the area described in the Annexation Area Boundary Map which have been approved by the City for annexation into or withdrawal from the District upon the meeting of certain requirements.

Annexation Area Boundary Map: means the map attached hereto as **Exhibit C**, describing the property proposed for annexation into or withdrawal from the District.

Approved Improvement Plan: means, collectively, approval by the City of preliminary construction plans (including construction timeline). For purposes of this Governing Document, the Development Agreement for the Project dated May 4, 2022, shall constitute an Approved Development Plan.

Assessment: means (i) the levy of an assessment secured by a lien on property within the District to pay for the costs of Public Improvements benefitting such property or (2) an assessment by the District levied on private property within such District to cover the costs of an energy efficient upgrade, a renewable energy system, or an electric vehicle charging infrastructure, each as may be levied pursuant to the Assessment Act.

Assessment Act: means collectively, (i) Title 11, Chapter 42, Utah Code as may be amended from time to time and (ii) the C-PACE Act.

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

Board: means the board of trustees of the District.

Bond, Bonds or Debt: means bonds or other obligations, including loans of any property owner, for the payment of which the District has promised to impose an ad valorem property tax mill levy, and/or collect Assessments.

C-PACE Act: means Title 11, Chapter 42a of the Utah Code, as amended from time to time and any successor statute thereto.

C-PACE Bonds: means bonds, loans, notes, or other structures and obligations of the District issued pursuant to the C-PACE Act, including refunding C-PACE Bonds.

C-PACE Assessments: means assessments levied under the C-PACE Act.

City: means Salem City, Utah.

City Code: means the City Code of the City.

City Council: means the City Council of the City.

District: means Fields Estates Public Infrastructure District.

District Act: means, collectively, the PID Act and the Special District Act.

District Area: means the property within the Initial District Boundary and Annexation Area Boundary Map.

End User: means any owner, or tenant of any owner, of any taxable improvement within the District, who is intended to become burdened by the imposition of ad valorem property taxes subject to the Maximum Debt Mill Levy and/or repayment of Assessments. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an End User. The business entity that constructs homes or commercial structures is not an End User.

Fees: means any fee imposed by the District for administrative services provided by the District.

Financial Plan: means the Financial Plan described in Section VIII which describes (i) the potential means whereby the Public Improvements may be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

General Obligation Debt: means a Debt that is directly payable from and secured by ad valorem property taxes that are levied by the District and does not include Limited Tax Debt.

Governing Document: means this Governing Document for the District approved by the City Council.

Governing Document Amendment: means an amendment to the Governing Document approved by the City Council in accordance with the City's ordinance and the applicable state law and approved by the Board in accordance with applicable state law.

Initial District Boundaries: means the boundaries of the area described in the Initial District Boundary Map.

Initial District Boundary Map: means the map attached hereto as **Exhibit C**, describing the District's initial boundaries.

Limited Tax Debt: means a debt that is directly payable from and secured by ad valorem property taxes that are levied by the District which may not exceed the Maximum Debt Mill Levy.

Maximum Debt Mill Levy: means the maximum mill levy the District is permitted to impose for payment of Debt as set forth in Section VIII.C below.

Maximum Debt Mill Levy Imposition Term: means the maximum term for imposition of a mill levy for any given series of bonds as set forth in Section VIII.D below.

Municipal Advisor: means a consultant that: (i) advises Utah governmental entities on matters relating to the issuance of securities by Utah governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be a municipal advisor with a registered municipal advisory firm as recognized by the Securities and Exchange Commission and Municipal Securities Rulemaking Board; and (iii) is not an officer or employee of the District.

Project: means the development or property commonly referred to as Salem Fields Estates.

PID Act: means Title 17D, Chapter 4 of the Utah Code, as amended from time to time and any successor statute thereto.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as generally described in the District Act, as specifically limited in Section V below and outlined in **Exhibit D** (as may be modified and shall be more fully set forth in the Approved Improvement Plan) to serve the future taxpayers and inhabitants of the District Area and as shall be set forth in an Approved Improvement Plan.

Special District Act: means Title 17B of the Utah Code, as amended from time to time.

State: means the State of Utah.

Taxable Property: means real or personal property within the District Area subject to ad valorem taxes imposed by the District.

Trustee: means a member of the Board.

Utah Code: means the Utah Code Annotated 1953, as amended.

III. **BOUNDARIES**

The area of the Initial District Boundaries includes approximately one hundred fourteen (114) acres and the total area proposed to be included in the Annexation Area Boundaries is the entirety of the Initial District Boundaries. A legal description of the Initial District Boundaries and the Annexation Area Boundaries is attached hereto as **Exhibit A**. A vicinity map is attached hereto as **Exhibit B**. A map of the Initial District Boundaries and Annexation Area Boundaries is attached hereto as **Exhibit C**. It is anticipated that the District's boundaries may change from time to time as it undergoes annexations pursuant to Section 17D-4-201, Utah Code, subject to Article V below.

IV. **PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION**

The District Area consists of mostly undeveloped land. The current assessed valuation of the District Area at buildout, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan. Upon build-out, the District Area is anticipated to contain approximately 339 residential units.

Approval of this Governing Document by the City does not imply approval of the development of a specific area within the District, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Governing Document or any of the exhibits attached thereto, unless the same is contained within an Approved Improvement Plan.

V. **DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES**

A. **Powers of the District and Governing Document Amendment.**

The District shall have the power and authority to provide the Public Improvements within and without the boundaries of the District as such power and authority is described in the Special District Act, and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein.

1. **Improvements.** The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of the District, as described in **Exhibit D**. Without the written consent of the City, the District shall not be authorized to finance any improvements which do not fall within the categories listed in **Exhibit D** (as may be modified and shall be more fully set forth in the Approved Improvement Plan). The District shall dedicate the Public Improvements to the City or other appropriate public entity in a manner consistent with the Approved Improvement Plan and other rules and regulations of the City and applicable provisions of the City Code. Trails which are interconnected with a city or regional trail system shall be open to the public free of charge and on the same basis as residents and owners of taxable property within the District.

The District shall be permitted to pay for Public Improvements permitted herein irrespective of any increase or decrease in the actual cost, provided that the District complies with this Section V and other requirements of this Governing Document, including but not limited to the debt limit provided in Section V.A(8) and the Maximum Debt Mill Levy provided in Section VIII.C. If the District desires to pay for the costs associated with improvements which are outside the description of the authorized Public Improvements herein, then it must first obtain approval from the City in an Approved Improvement Plan.

(a) Reimbursement for Improvements. Any impact fee reimbursements or credits which become available due to the financing of Public Improvements by the District shall be for the benefit of the District and not any developer. The specifics of the scope and availability of impact fee reimbursements shall be reserved and will be addressed in a future interlocal agreement between the City and the District.

(b) Ownership of Improvements. Notwithstanding the provisions of this Section V.A.1, without written authorization of the City, the District shall not be authorized to finance the costs of any improvements or facilities which are to be ultimately owned by the District.

2. Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the customary standards and specifications of the City and of other governmental entities having proper jurisdiction. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

3. Procurement.

(a) The District may acquire completed or partially completed improvements for fair market value as reasonably determined by a surveyor or engineer that is selected or approved in writing by the City (which may include a surveyor or engineer employed by the City).

(b) Notwithstanding the ability of the District to acquire improvements for fair market value, unless exempted under paragraph (c) below or otherwise agreed to in writing by the City, the District will also require, as a condition of payment or reimbursement of all infrastructure line item costs exceeding \$200,000, any property owner or the third party seeking payment or reimbursement from the District to provide reasonable documentation evidencing that (i) the District or such property owner issued an invitation for bids, containing objective criteria to evaluate any bid, and delivered the invitation to at least three potential providers of the work, service, and/or material to be procured; and (ii) the District or such property owner awarded the bid to the responsible bidder which submitted the lowest responsible bid meeting the objective criteria stated in the invitation for bid.

(c) The procurement process described in (b) above shall be exempted from the requirements of paragraph (b) above with respect to: (i) reimbursements with respect to costs incurred prior to the date of this Governing Document for line item(s) 1 through 5, as outlined

in **Exhibit D**; (ii) reimbursements to any property owner for the acquisition of any water rights or real property, including but not limited to easements or rights-of-way, which qualify as Public Improvements hereunder; and (iii) any work, service, or materials for which the City and the District reasonably determine that there is only one source, and the District communicates the same to the City in writing

4. Privately-Placed Debt Limitation. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of a Municipal Advisor substantially as follows:

We are [I am] a Municipal Advisor within the meaning of the District's Governing Document.

We [I] certify that (1) the net effective interest rate to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

5. Annexation and Withdrawal.

(a) The District shall not include within its boundaries any property outside the District Area without the prior written consent of the City. The City, by resolution and this Governing Document, has consented to the annexation of any area within the Annexation Area Boundaries into any of the District. Such area may only be annexed upon the District obtaining any required consents under the PID Act, within the area proposed to be annexed and the passage of a resolution such District's Board approving such annexation.

(b) The City, by approval of this Governing Document, has consented to the withdrawal of any area within the District Boundaries from the District. Such area may only be withdrawn upon the District obtaining any required consents under the PID Act, within the area proposed to be withdrawn and the passage of a resolution of such District's Board approving such annexation.

(c) Any annexation or withdrawal shall be in accordance with the requirements of the PID Act.

(d) Upon any annexation or withdrawal, such District shall provide the City a description of the revised District Boundaries.

(e) Annexation or withdrawal of any area in accordance with V.A.5(a) and (b) shall not constitute an amendment of this Governing Document.

6. Overlap Limitation. The boundaries of the District shall not overlap the boundaries of any other financing district which is not a traditional service provider unless the

aggregate mill levy for payment of Debt of the District and such districts will not at any time exceed the Maximum Debt Mill Levy of the District.

7. Initial Debt Limitation. On or before the effective date of approval by the City of an Approved Improvement Plan, the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any Assessments used for the purpose of repayment of Debt.

8. Total Debt Issuance Limitation. The District shall not issue Limited Tax Debt in excess of the amount of Twelve Million Dollars (\$12,000,000). This amount excludes any portion of bonds issued to refund a prior issuance of debt by the District. Any Assessment Debt or C-PACE Bonds do not count against the foregoing limitation and there is no limit to the amount of Assessment Debt or C-PACE Bonds the Districts may issue so long as such issuances are in accordance with the provisions of the applicable Assessment Act.

9. Bankruptcy Limitation. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, Maximum Debt Mill Levy Imposition Term and the Fees have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17D-4-201(5), Utah Code. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and

(b) Are, together with all other requirements of Utah law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

(c) Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Governing Document and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Governing Document Amendment.

10. Eminent Domain. The District shall not exercise eminent domain or utilize any funds of the District to support any eminent domain action or proceeding unless (i) the public improvements for which eminent domain is proposed are permitted under this Agreement, a Development Agreement, the Approved Improvement Plan, or separate agreement of the City and (ii) their location complies with a master infrastructure plan or similar plan of the City or the applicable service provider.

11. Governing Document Amendment Requirement

(a) This Governing Document has been designed with sufficient flexibility to enable the District to provide the Public Improvements under evolving circumstances

without the need for numerous amendments. Actions of the District which violate the limitations set forth in V.A.1-8 above or in VIII.B-G. shall be deemed to be material modifications to this Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

(b) Subject to the limitations and exceptions contained herein, this Governing Document may be amended by passage of resolutions of the City and the District approving such amendment.

B. Preliminary Engineering Survey.

The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of the District, to be more specifically defined in an Approved Improvement Plan. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the District Area and is approximately Twenty-Four Million Dollars (\$24,000,000). The costs of Public Improvements as outlined in **Exhibit D** are estimates and the approval of this Governing Document does not constitute the City's approval of actual costs for Public Improvements. The actual costs of Public Improvements eligible for reimbursement shall be determined by Section V.A.(3) of this Governing Document.

All of the Public Improvements will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the City and/or any other applicable public entity and shall be in accordance with the requirements of the Approved Improvement Plan. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

VI. THE BOARD OF TRUSTEES

A. Board Composition. The Board shall be composed of 3 Trustees who shall be appointed by the City Council pursuant to the PID Act. Trustees 1, 2, and 3 shall initially be at large. Trustee terms shall be staggered with initial terms as follows: Trustee 2 shall serve an initial term of 4 years; Trustees 1 and 3 shall serve an initial term of 6 years. All terms shall commence on the date of issuance of a certificate of creation by the Office of the Lieutenant Governor of the State of Utah. In accordance with the PID Act, appointed Trustees shall not be required to be residents of the District.

B. Transition to Elected Board. Respective board seats shall transition from appointed to elected seats according to the following milestones:

1. Trustee 1. Trustee 1 shall transition to an elected seat at the end of a full term during which 170 certificates of occupancy have been issued within the District.
2. Trustee 2. Trustee 2 shall transition to an elected seat at the end of a full term during which 255 certificates of occupancy have been issued within the District.

3. Trustee 3. Trustee 3 shall transition to an elected seat at the end of a full term during which 305 certificates of occupancy have been issued within the District.

No transition pursuant to this Section on the basis of the number of building permits issued shall become effective until the next scheduled regular election of the District. Seats set to transition on January 1 of a given year shall hold an election for such seats at the regular election immediately preceding such January 1.

C. Reelection and Reappointment. Upon the expiration of a Trustee's respective term, any seat which has not transitioned to an elected seat shall be appointed by the City Council pursuant to the PID Act and any seat which has transitioned to an elected seat shall be elected at the next municipal election pursuant to an election held for such purpose. In the event that no qualified candidate files to be considered for appointment or files a declaration of candidacy for a seat, such seat may be filled in accordance with the Special District Act.

D. Vacancy. Any vacancy on the Board shall be filled pursuant to the Special District Act.

E. Compensation. Only Trustees who are residents of the District may be compensated for services as Trustee. Such compensation shall be in accordance with State Law.

F. Conflicts of Interest. Trustees shall disclose all conflicts of interest. Any Trustee who discloses such conflicts in accordance with 17D-4-202 and 67-16-9, Utah Code, shall be entitled to vote on such matters.

VII. RESERVED

VIII. FINANCIAL PLAN

A. General.

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from its revenues and by and through the proceeds of Debt to be issued by the District. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay from revenues derived from the Maximum Debt Mill Levy within the Maximum Debt Mill Levy Imposition Term, Assessments, impact fees remitted by the City, and other legally available revenues. The total Limited Tax Debt that the District shall be permitted to issue shall not exceed Twelve Million Dollars (\$12,000,000) and shall be permitted to be issued on a schedule and in such year or years as the District determines shall meet the needs of the Financial Plan referenced above and phased to serve development as it occurs. Any portion of Debt issued to refund a prior issuance of Debt by the District shall not count against the permitted total Debt. In addition, any Assessment Debt or C-PACE Bonds do not count against the foregoing limitation and there is no limit to the amount of Assessment Debt or C-PACE Bonds the District may issue so long as such issuances are in accordance with the provisions of the applicable Assessment Act. All Bonds and other Debt issued by the District may be payable from any and all legally available revenues of the District, including without limitation general ad valorem taxes to be imposed upon all Taxable Property within the Districts, impact fees, and Assessments. The District will also rely upon various other revenue

sources authorized by law. These will include the power to assess Fees, penalties, or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time.

B. Maximum Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed fifteen percent (15%). The proposed maximum underwriting discount will be five percent (5%). Debt, when issued, will comply with all relevant requirements of this Governing Document, State law and Federal law as then applicable to the issuance of public securities.

C. Maximum Debt Mill Levy.

(a) The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Limited Tax Debt and administrative expenses and such maximum shall be 0.005 per dollar of taxable value of taxable property in the District; provided that such levy shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code.

(b) Such Maximum Debt Mill Levy may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202, Utah Code.

(c) In the event the District has issued Limited Tax Debt, any Assessments (other than C-PACE Assessments) imposed by a District on a parcel zoned for residential uses shall be payable at or before the time of conveyance to an End User with respect to such parcel. Any C-PACE Assessments may be repayable in accordance with the provisions of such act.

D. Maximum Debt Mill Levy Imposition Term.

Each Bond issued by the District shall mature within Thirty-One (31) years from the date of issuance of such Bond. In addition, no mill levy may be imposed for the repayment of a series of Bonds after a period exceeding forty (40) years from the first date of imposition of the mill levy for such Bond (the "Maximum Debt Mill Levy Imposition Term").

E. Debt Repayment Sources.

The District may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service. The District shall also pledge any impact fees remitted by the City for the repayment of debt service. The District may also rely upon various other revenue sources authorized by law. At the District's discretion, these may include the power to assess Assessments, penalties, or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time. Except as described in Section VIII.C(a), the debt service mill levy in the District shall not exceed the Maximum Debt Mill Levy or, the Maximum Debt Mill Levy Imposition Term, except for repayment of General Obligation Debt.

The District shall not be permitted to charge an End User the costs of any portion of a Public Improvement for which such End User has already paid or is presently obligated to pay through any combination of mill levy, Assessment, or impact fee. This provision shall not prohibit the division of costs between mill levies, Assessments, or impact fees, but is intended to prevent double taxation of End Users for the costs of Public Improvements.

F. Debt Instrument Disclosure Requirement.

In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Governing Document for creation of the District.

Similar language describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Governing Document shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the District.

G. Security for Debt.

The District shall not pledge any revenue or property of the City as security for the indebtedness set forth in this Governing Document. Approval of this Governing Document shall not be construed as a guarantee by the City of payment of any of the District's obligations; nor shall anything in the Governing Document be construed so as to create any responsibility or liability on the part of the City in the event of default by the District in the payment of any such obligation.

H. District's Operating Costs.

The estimated cost of engineering services, legal services and administrative services, together with the estimated costs of the District's organization and initial operations, are anticipated to be Fifty Thousand Dollars (\$50,000), which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed. The first year's operating budget is estimated to be approximately Fifty Thousand Dollars (\$50,000) which is anticipated to be derived from property taxes and other revenues.

I. Bond and Disclosure Counsel; Municipal Advisor.

It is the intent of the City that the District shall use competent and nationally recognized bond and disclosure counsel and Municipal Advisor with respect to District Bonds to ensure proper

issuance and compliance with this Governing Document. The District has agreed to utilize the City's counsel, Gilmore & Bell, P.C., as bond and disclosure counsel and Zions Public Finance, Inc., as Municipal Advisor with respect to District Bonds as permitted by law. The foregoing requirement may be waived in writing by the City.

IX. ANNUAL REPORT

A. General.

The District shall be responsible for submitting an annual report to the City Manager's Office no later than one hundred eighty (180) days following the end of the District's fiscal year.

B. Reporting of Significant Events.

The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.
2. List of current interlocal agreements, if changed (to be delivered to the City upon request);
3. Names and terms of Board members and officers and progress towards milestones required for transition to elected Board;
4. District office contact information;
5. Rules and regulations of the District regarding bidding, conflict of interest, contracting, and other governance matters, if changed;
6. A summary of any litigation which involves the District Public Improvements as of the last day of the prior fiscal year;
7. Status of the District's construction of the Public Improvements as of last day of the prior fiscal year and listing all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of the last day of the prior fiscal year;
8. A table summarizing total debt authorized and total debt issued by the District as well as any presently planned debt issuances;
9. Official statements of current outstanding bonded indebtedness, if not previously provided to the City;
10. Current year budget including a description of the Public Improvements to be constructed in such year;
11. The District's financial statements, for the previous fiscal year, such statements shall be audited if required pursuant to State law or relevant bond documents (such

statements shall be submitted within thirty (30) days of completion if completed after one hundred eighty (180) days following the end of the fiscal year);

12. Notice of any uncured events of default by the District, which continue beyond a 90-day period, under any Debt instrument; and

13. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a 90-day period.

X. DISSOLUTION

Upon an independent determination of the District Board that the purposes for which the District was created have been accomplished, the District shall file petitions for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to State statutes and disbursed of all assets of the District.

XI. DISCLOSURE TO PURCHASERS; ANNUAL NOTICE

A. Disclosure. Within thirty (30) days of the issuance of a certificate of incorporation by the Office of the Lieutenant Governor of the State, the Board shall cause to be recorded a notice with the recorder of Utah County. Such notice shall (a) contain a description of the boundaries of the District; (b) state that a copy of this Governing Document is on file at the office of the City; (c) state that the District may finance and repay infrastructure and other improvements through the levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. A copy of the notice shall further be provided to the City.

In addition, the Applicant and the Board shall ensure that the Applicant, homebuilders, commercial developers, and commercial lessors, as applicable, disclose the following information to initial resident homeowners, renters, commercial property owners, and/or commercial tenants:

- (1) All of the information in the first paragraph of this XI.A.;
- (2) A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“Under the maximum property tax rate of the District, for every \$100,000 of taxable value, there would be an additional annual property tax of \$500 for the duration of the District’s Bonds.”
- (3) Such disclosures shall be contained on a separate-colored page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.

B. Notice to Buyers and Lessees. In addition, the Board of the District shall make commercially reasonable efforts to ensure that the Project developer, homebuilders, sub-developers, and commercial lessors, as applicable, disclose the following information to initial

resident homeowners, renters, commercial property owners, and/or commercial tenants in such District:

- (1) All of the information in the first paragraph of this XI.A.;
- (2) A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“Under the maximum property tax rate of the District, for every \$100,000 of taxable value, there would be an additional annual property tax of \$500 for the duration of the District’s Bonds.”

- (3) Such disclosures shall be contained on a separate-colored page of the applicable closing or lease documents and shall require a signature of such End User acknowledging the foregoing.

Additionally, the Developer and the Board shall ensure that the Developer, homebuilders, and commercial developers, and commercial lessors, as applicable post a notice, in the same form and size (or larger) as the form attached as **Exhibit F** in a conspicuous area on bright-colored paper within all model homes and sales offices within the Districts.

C. Annual Notice. On or before July 15 of each year, commencing July 15, 2024, the District shall mail a notice to all owners of property within the boundaries of the District a notice providing:

- (1) A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“Under the maximum property tax rate of the District, for every \$100,000 of taxable value, there would be an additional annual property tax of \$500 for the duration of the District’s Bonds.”

- (2) The applicable tax rate of the District for the then current year;
- (3) That budgets and financial information for the District may be found on the State Auditor’s Website (currently <https://reporting.auditor.utah.gov/searchreports/s/>); and
- (4) Contact information for members of the board.

XII. INTERLOCAL AGREEMENT

The form of the Interlocal Agreement required by the City Code, relating to the limitations imposed on the District’s activities, is attached hereto as **Exhibit E**. The District shall approve the Interlocal Agreement in the form attached as **Exhibit E** at its first Board meeting after its organization. Failure of the District to execute the Interlocal Agreement as required herein shall constitute a material modification and shall require a Governing Document Amendment. The City Council shall approve the Interlocal Agreement in the form attached as **Exhibit E** at the public hearing approving the Governing Document.

EXHIBIT A

Legal Descriptions

INITIAL DISTRICT BOUNDARIES LEGAL DESCRIPTION

A portion of Section 1, Township 9 South, Range 2 East, Salt Lake Base & Meridian and being more particularly described by survey as follows:

Beginning at a point on the westerly right-of-way line of Woodland Hills Drive, said point being located N00°10'11"W along the Section Line 0.43 feet and West 27.89 feet from the East 1/4 Corner of Section 1, Township 9 South, Range 2 East, Salt Lake Base & Meridian; thence along the westerly right-of-way of Woodland Hill Drive as defined by Deed Entry No. 124079:2020 in the official records of the Utah County Recorder the following two (2) courses: S89°50'57"W 5.18 feet; thence S00°29'53"E 1.77 feet to an existing fence line and that boundary line agreement described in Deed Entry No. 148532:2005 in the official records of the Utah County Recorder; thence along said fence line and boundary line agreement the following five (5) courses: N89°25'00"W 88.94 feet; thence S89°44'00"W 747.50 feet; thence S89°03'00"W 160.35 feet; thence S00°45'00"W 235.98 feet; thence S00°30'00"E 256.17 feet to an existing fence line being on the north line of that real property described in Deed Entry No. 98717:2017 in the official records of the Utah County Recorder; thence along said fence line and the north line of those real properties described in Deeds Entry No. 98717:2005, 30428:2020 and 108672:2020 in the official records of the Utah County Recorder the following two (2) courses: N88°51'35"W 757.22 feet; thence N88°53'48"W 578.71 feet; thence S88°12'21"W 108.43 feet to the northeast corner of that Record of Survey No. 21-269 on file in the office of the Utah County Surveyor; thence along the northerly boundary of said Record of Survey the following six (6) courses: N87°33'03"W 14.13 feet; thence N88°10'24"W 165.50 feet; thence N89°51'40"W 178.36 feet; thence N89°51'26"W 81.31 feet; thence N89°06'56"W 147.51 feet; thence N89°06'54"W 105.34 feet to the easterly boundary of PLAT "B", GREEN MEADOWS subdivision according to the official plat thereof and as surveyed based on existing property corners found in said subdivision; thence along the boundary of said subdivision the following two (2) courses: N00°31'35"E 606.69 feet; thence N87°55'58"W 278.99 feet to the easterly right-of-way line of State Road 198, said line being a fence line and described by Deed Entry No. 139284:2021 in the official records of the Utah County Recorder; thence along said right-of-way line and fence line the following three (3) courses: N23°09'31"E 379.20 feet; thence N22°25'00"E 114.43 feet; thence N22°56'15"E 542.41 feet to the northerly line of that real property described in Deed Entry No. 117683:2021 in the official records of the Utah County Recorder; thence S87°53'04"E along said real property 384.50 feet to the westerly line of that real property described in Deed Entry No. 58708:2014 in the official records of the Utah County Recorder; thence along said real property the following four (4) courses: S01°07'15"W 108.06 feet; thence N89°32'54"E 879.93 feet; thence S04°47'33"E 36.07 feet; thence S89°39'53"E 526.49 feet to a found LEI Engineering Rebar and Cap set at a fence corner; thence N04°15'00"E along an existing fence 71.03 feet to a fence corner being on the westerly line of that real property described in Deed Entry No. 139284:2021 in the official records of the Utah County Recorder; thence N14°56'06"W along said real property 545.74 feet to a found rebar and cap (PLS# is not legible); thence N70°16'50"E 18.14 feet to a found Rebar and Cap (Eickbush & Associates) marking the southeast corner of that real property described in Deed Entry No. 102412:2009; thence N36°24'54"W along said real property 537.71 feet to the southerly boundary of PLAT "C"

HUNTER subdivision according to the official plat thereof on file in the office of the Utah County Recorder; thence along said southerly boundary and its extension the following two (2) courses: S87°29'32"E 118.50 feet; thence S89°59'12"E 896.20 feet to the westerly boundary of PLAT "D" HUNTER subdivision according to the official plat thereof on file in the office of the Utah County Recorder; thence along the boundary of said subdivision the following two (2) courses: S00°05'52"E 666.07 feet; thence N89°50'29"E 634.23 feet to the westerly right-of-way line of Woodland Hills Drive as defined by Deed Entry No. 139284:2021 in the official records of the Utah County Recorder; thence along said right-of-way the following three (3) courses: S00°10'20"E 521.38 feet; thence S05°32'18"W 100.50 feet; thence S00°10'20"E 150.25 feet to the northeast corner of that real property described in Deed Entry No. 55476:2020 in the official records of the Utah County Recorder; thence along said real property the following three (3) courses: N89°21'46"W 857.12 feet; thence S00°49'25"E 252.83 feet; thence S89°21'46"E 864.24 feet to the westerly right-of-way line of Woodland Hills Drive; thence S00°10'20"E along said right-of-way line 293.16 feet to the point of beginning.

Contains: ±113.57 Acres
±4,947,288 Sq. Ft.

ANNEXATION AREA BOUNDARIES LEGAL DESCRIPTION

The entirety of the Initial District Boundaries described above.

EXHIBIT B

Salem City Vicinity Map

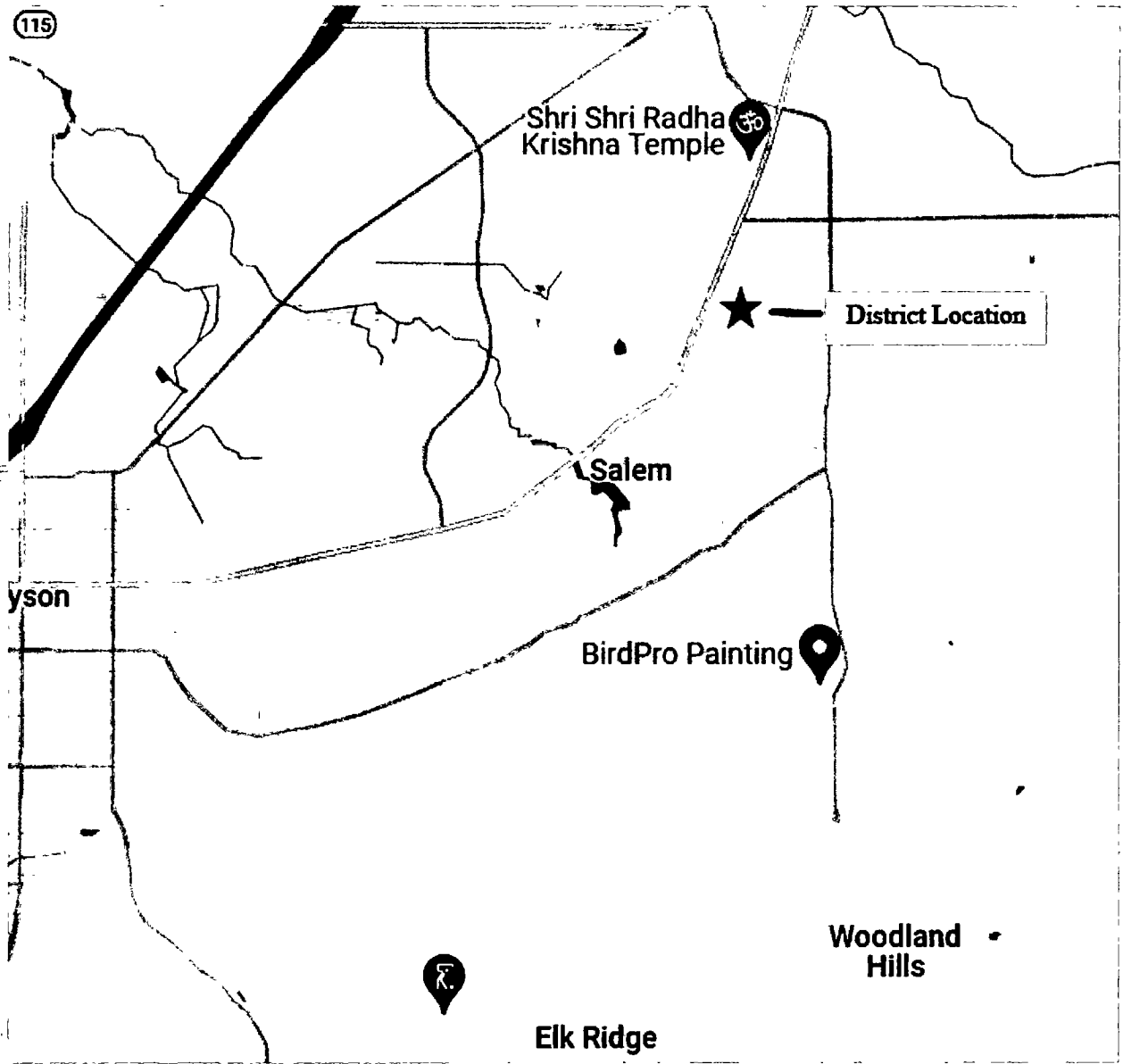


EXHIBIT C

Initial District Boundary and Annexation Area Boundary Map

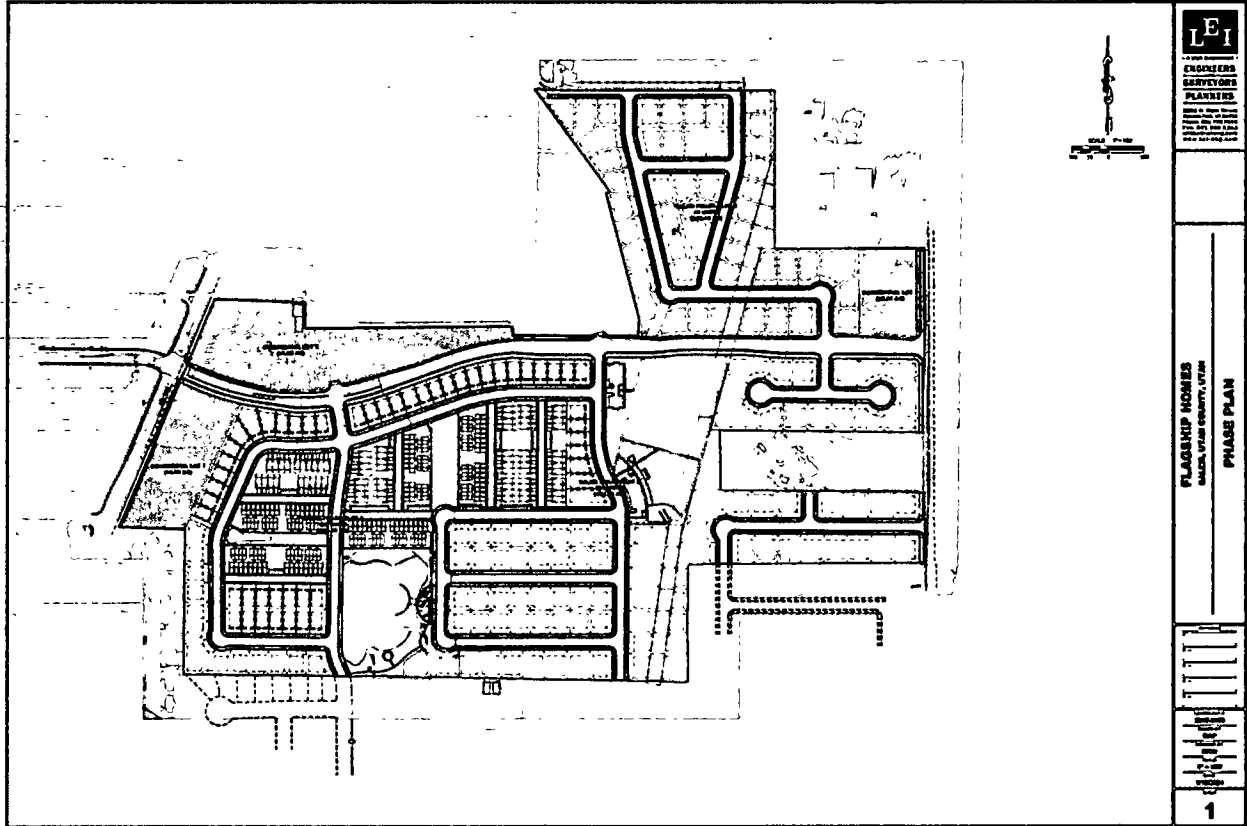


EXHIBIT D

Public Improvements

Exhibit D Salem Fields Offsite Ph 1 Costs				
DESCRIPTION	QTY	UNIT	AMOUNT	COST
1. Off-Site Sewer	1	LS	\$ 583,978.85	\$583,978.85
2. Storm - RPI	1	LS	\$ 223,832.20	\$223,832.20
3. Water Tank	1	LS	\$1,637,667.00	\$1,637,667.00
4. 750 N	1	LS	\$1,788,808.92	\$1,788,808.92
5. Dry Utilities	1	LS	\$ 868,711.38	\$868,711.38
6. Fencing	1	LS	\$ 168,049.50	\$168,049.50
7. Landscape	1	LS	\$ 460,000.00	\$460,000.00
Total Cost:				\$5,727,947.85

Salem Fields Ph 1 Onsite Dev Costs				
DESCRIPTION	QTY	UNIT	AMOUNT	COST
8. Consultants	1	LS	\$ 520,660.00	\$520,660.00
9. City Dev Fees	1	LS	\$ 809,532.00	\$809,532.00
10. Grading	1	LS	\$2,915,545.00	\$2,915,545.00
11. Storm Drain	1	LS	\$ 679,613.00	\$679,613.00
12. Sewer	1	LS	\$ 780,545.00	\$780,545.00
13. Water	1	LS	\$ 725,011.00	\$725,011.00
14. Dry Utilities	1	LS	\$ 388,725.62	\$388,725.62
15. Curb & Gutter	1	LS	\$ 291,128.00	\$291,128.00
16. Sidewalk	1	LS	\$ 458,520.00	\$458,520.00
17. Paving	1	LS	\$1,103,437.00	\$1,103,437.00
18. R&R	1	LS	\$ 15,000.00	\$15,000.00
19. Fencing	1	LS	\$ 148,130.00	\$148,130.00
20. Landscaping	1	LS	\$1,071,000.00	\$1,071,000.00
21. Contingency	1	LS	\$ 500,000.00	\$500,000.00
Total Cost:				\$10,500,848.62

Salem Fields Ph 2 Development Costs				
DESCRIPTION	QTY	UNIT	AMOUNT	COST
22. Consultants	1	LS	\$ 573,100.58	\$573,100.58
23. City Dev Fees	1	LS	\$1,001,139.54	\$1,001,139.54
24. Grading	1	LS	\$3,209,197.01	\$3,209,197.01
25. Storm Drain	1	LS	\$ 748,063.23	\$748,063.23
26. Sewer	1	LS	\$ 859,161.04	\$859,161.04
27. Water	1	LS	\$ 798,033.69	\$798,033.69
28. Dry Utilities	1	LS	\$ 425,676.40	\$425,676.40
29. Curb & Gutter	1	LS	\$ 320,450.24	\$320,450.24
30. Sidewalk	1	LS	\$ 502,500.43	\$502,500.43
31. Paving	1	LS	\$1,214,574.54	\$1,214,574.54
32. R&R	1	LS	\$ 18,510.79	\$18,510.79
33. Fencing	1	LS	\$ 160,848.13	\$160,848.13
34. Landscaping	1	LS	\$1,178,870.50	\$1,178,870.50
35. 750 N	1	LS	\$4,467,022.30	\$4,467,022.30
35. Contingency	1	LS	\$ 825,539.57	\$825,539.57
Total Cost:				\$16,300,688.00

Salem Fields Ph 3 Development Costs				
DESCRIPTION	QTY	UNIT	AMOUNT	COST
22. Consultants	1	LS	\$ 314,082.99	\$314,082.99
23. City Dev Fees	1	LS	\$1,008,808.91	\$1,008,808.91
24. Grading	1	LS	\$ 234,688.50	\$234,688.50
25. Storm Drain	1	LS	\$ 269,540.72	\$269,540.72
26. Sewer	1	LS	\$ 250,363.51	\$250,363.51
27. Water	1	LS	\$ 133,545.54	\$133,545.54
28. Dry Utilities	1	LS	\$ 100,533.41	\$100,533.41
29. Curb & Gutter	1	LS	\$ 157,847.19	\$157,847.19
30. Sidewalk	1	LS	\$ 381,042.99	\$381,042.99
31. Paving	1	LS	\$ 5,179.86	\$5,179.86
32. R&R	1	LS	\$ 50,462.16	\$50,462.16
33. Fencing	1	LS	\$ 369,841.73	\$369,841.73
34. Landscaping	1	LS	\$ 482,468.18	\$482,468.18
35. 750 N	1	LS	\$1,788,808.92	\$1,788,808.92
35. Contingency	1	LS	\$5,113,941.33	\$5,113,941.33
Total Cost:				\$10,638,951.95

Salem Fields Total Dev Cost \$43,165,534.43

EXHIBIT E**INTERLOCAL AGREEMENT BETWEEN****SALEM CITY, UTAH****AND****FIELDS ESTATES PUBLIC INFRASTRUCTURE DISTRICT**

THIS AGREEMENT is made and entered into as of this 3rd day of April, 2024, by and between SALEM CITY, UTAH, a home-rule municipal corporation of the State of Utah ("City"); and FIELDS ESTATES PUBLIC INFRASTRUCTURE DISTRICT, a political subdivision of the State of Utah (the "District"). 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 April 3, 2024 ("Governing Document"); and

WHEREAS, the Governing Document makes reference to the execution of an Interlocal Agreement between the City and the District; 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 Interlocal Agreement ("Agreement").

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:

COVENANTS AND AGREEMENTS

1. **Improvements.** The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of the District, as described in the Governing Document. Without the written consent of the City, the District shall not be authorized to finance any improvements which do not fall within the categories listed in the Governing Document (as may be modified and shall be more fully set forth in the Approved Improvement Plan). The District shall dedicate the Public Improvements to the City or other appropriate public entity in a manner consistent with the Approved Improvement Plan and other rules and regulations of the City and applicable provisions of the City Code. Trails which are interconnected with a city or regional trail system shall be open to the public free of charge and on the same basis as residents and owners of taxable property within the District.

The District shall be permitted to pay for Public Improvements permitted under the Governing Document irrespective of any increase or decrease in the actual cost, provided that the District complies with the requirements of the Governing Document, including but not limited to the debt limit and the Maximum Debt Mill Levy. If the District desires to pay for the costs

associated with improvements which are outside the description of the authorized Public Improvements herein, then it must first obtain approval from the City in an Approved Improvement Plan.

2. Construction Standards. The District will ensure that the Public Improvements are designed and constructed in accordance with the customary standards and specifications of the City and of other governmental entities having proper jurisdiction, as applicable. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

3. Issuance of Privately Placed Debt. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of a Municipal Advisor substantially as follows:

We are [I am] a Municipal Advisor within the meaning of the District's Governing Document.

We [I] certify that (1) the net effective interest rate to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

4. Annexation and Withdrawal.

(a) The District shall not include within its boundaries any property outside the District Area without the prior written consent of the City. The City, by resolution and the Governing Document, has consented to the annexation of any area within the Annexation Area Boundaries into any of the District. Such area may only be annexed upon the District obtaining any required consents under the PID Act, within the area proposed to be annexed and the passage of a resolution such District's Board approving such annexation.

(b) The City, by approval of this Governing Document, has consented to the withdrawal of any area within the District Boundaries from the District. Such area may only be withdrawn upon the District obtaining any required consents under the PID Act, within the area proposed to be withdrawn and the passage of a resolution of such District's Board approving such annexation.

(c) Any annexation or withdrawal shall be in accordance with the requirements of the PID Act.

(d) Upon any annexation or withdrawal, such District shall provide the City a description of the revised District Boundaries.

5. Overlap Limitation. The boundaries of the District shall not overlap the boundaries of any other financing district which is not a traditional service provider unless the aggregate mill

levy for payment of Debt of the District and such districts will not at any time exceed the Maximum Debt Mill Levy of the District.

6. Initial Debt. On or before the effective date of approval by the City of an Approved Improvement Plan (as defined in the Governing Document), the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any fees used for the purpose of repayment of Debt.

7. Total Debt Issuance. The District shall not issue Limited Tax Debt in excess of the amount of Twelve Million Dollars (\$12,000,000). This amount excludes any portion of bonds issued to refund a prior issuance of debt by the District. Any Assessment Debt or C-PACE Bonds do not count against the foregoing limitation and there is no limit to the amount of Assessment Debt or C-PACE Bonds the Districts may issue so long as such issuances are in accordance with the provisions of the applicable Assessment Act.

8. Bankruptcy. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17D-4-201(4), Utah Code. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and

(b) Are, together with all other requirements of Utah law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Governing Document and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Governing Document Amendment.

9. Eminent Domain. The District shall not exercise eminent domain or utilize any funds of the District to support any eminent domain action or proceeding unless (i) the public improvements for which eminent domain is proposed are permitted under this Agreement, a Development Agreement, the Approved Improvement Plan, or separate agreement of the City and (ii) their location complies with a master infrastructure plan or similar plan of the City or the applicable service provider.

10. Dissolution. Upon an independent determination of the District Board that the purposes for which the District was created have been accomplished, the District shall file petitions for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and

other financial obligations as required pursuant to State statutes and disbursed of all assets of the District.

11. Disclosure to Purchasers; Annual Notice. The District shall comply with the disclosure and notice requirements established in the Governing Document.

12. Governing Document Amendment Requirement. Actions of the District which violate the limitations set forth in V.A.1-9 or VIII.B-G of the Governing Document shall be deemed to be material modifications to the Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

13. Annual Report. The District shall be responsible for submitting an annual report to the City Manager's Office no later than one hundred eighty (180) days following the closing of the District's fiscal year, containing the information set forth in Section VIII of the Governing Document.

14. Reserved.

15. Maximum Debt Mill Levy.

(a) The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Limited Tax Debt and administrative expenses and such maximum shall be 0.005 per dollar of taxable value of taxable property in the District; provided that such levy shall be subject to adjustment as provided in Section 17D-4-301(8).

(b) Such Maximum Debt Mill Levy may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202.

(c) In the event the District has issued Limited Tax Debt, any Assessments (other than C-PACE Assessments) imposed by such District on a parcel zoned for residential uses shall be payable at or before the time of conveyance to an End User with respect to such parcel. For the avoidance of doubt, if a District has not issued Limited Tax Debt, Assessments levied by such District are not required to be prepaid at the time a building permit is issued or prior to conveyance. Any C-PACE Assessments may be repayable in accordance with the provisions of such act.

16. Maximum Debt Mill Levy Imposition Term. Each bond issued by the District shall mature within thirty-one (31) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding forty (40) years from the first date of imposition of the mill levy for such bond (the "Maximum Debt Mill Levy Imposition Term").

17. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District: Fields Estates Public Infrastructure District
 c/o Terry Wade
 300 S. 1350 E., Floor 2
 Lehi, UT 84043

To the City: Salem City
 30 W. 100 S.
 Salem, UT 84653
 Attn: City Manager
 Phone: (801) 423-2770

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

18. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Governing Document.

19. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

20. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys' fees.

21. Term. This Agreement shall terminate upon the earlier to occur of dissolution of the District or fifty (50) years from the date hereof.

22. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Utah.

23. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

24. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

25. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the City any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the City shall be for the sole and exclusive benefit of the District and the City.

26. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

27. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

28. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

29. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Governing Document.

[SIGNATURE PAGE TO INTERLOCAL AGREEMENT]

**FIELDS ESTATES PUBLIC
INFRASTRUCTURE DISTRICT**

By: _____
Chair

Attest:

Secretary

APPROVED AS TO FORM: _____

SALEM CITY, UTAH

By: _____
Mayor

Attest:

By: _____

Its: _____

APPROVED AS TO FORM: _____

EXHIBIT F

Required Notice for Sales and Leasing Offices

NOTICE: This Development is located within the Fields Estates Public Infrastructure District.

The District is authorized to impose a property tax of 0.005 per dollar of taxable value.

Under the maximum property tax rate of the District, for every \$100,000 of taxable value, there would be an additional annual property tax of \$500 for the duration of the District's Bonds.

EXHIBIT C

NOTICES OF BOUNDARY ACTION

CONFIDENTIAL

**NOTICE OF IMPENDING BOUNDARY ACTION
(Fields Estates Public Infrastructure District)**

TO: The Lieutenant Governor, State of Utah

NOTICE IS HEREBY GIVEN that the City Council of the City of Salem, Utah (the "Council"), acting in its capacity as the creating entity for the Fields Estates Public Infrastructure District (the "District"), at a regular meeting of the Council, duly convened pursuant to notice, on April 3, 2024, adopted a Resolution Providing for the Creation of Public Infrastructure District, a true and correct copy of which is attached as EXHIBIT "A" hereto and incorporated by this reference herein (the "Creation Resolution").

A copy of the Final Local Entity Plat satisfying the applicable legal requirements as set forth in Utah Code Ann. §17-23-20, approved as a final local entity plat by the Surveyor of Utah County, Utah, is attached as EXHIBIT "B" hereto and incorporated by this reference. The Council hereby certifies that all requirements applicable to the creation of the District, as more particularly described in the Creation Resolution, have been met. The District is not anticipated to result in the employment of personnel.

WHEREFORE, the Council hereby respectfully requests the issuance of a Certificate of Incorporation pursuant to and in conformance with the provisions of Utah Code Ann. §17B-1-215.

DATED this April 3, 2024.

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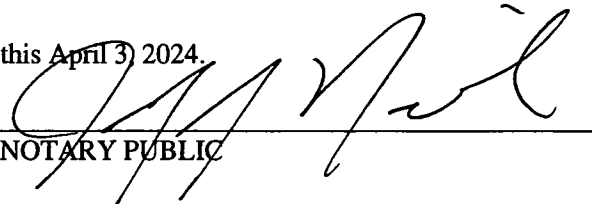
**CITY COUNCIL, THE CITY OF SALEM,
UTAH, acting in its capacity as the creating
authority for Fields Estates Public Infrastructure
District**

By: 
AUTHORIZED REPRESENTATIVE

VERIFICATION

STATE OF UTAH)
 :SS.
COUNTY OF UTAH)

SUBSCRIBED AND SWORN to before me this April 3) 2024.


NOTARY PUBLIC

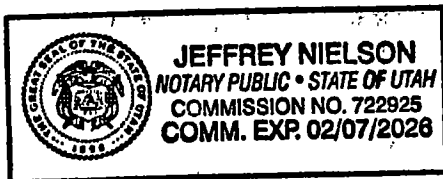


EXHIBIT "A" TO NOTICES OF BOUNDARY ACTION

Copy of the Creation Resolution

COPY

RESOLUTION No. 40324A

ROLL CALL

VOTING	YES	NO
KURT L CHRISTENSEN Mayor (votes only in case of tie)		
TIM De GRAW City Councilmember	<input checked="" type="checkbox"/>	
KELLY PETERSON City Councilmember	KP	
CRISTY SIMONS City Councilmember	CS	
CYNTHIA DEVERAUX REES City Councilmember	CR	
PAUL TAYLOR City Councilmember	<input checked="" type="checkbox"/>	PT

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I MOVE this resolution be adopted: *C. Simons*
City Councilmember

I SECOND the foregoing motion: *Cynthia Deveraux Rees*
City Councilmember

**AN RESOLUTION CREATION OF FIELDS ESTATES (PID) PUBLIC
INFRASTRUCTURE DISTRICT NOS. 1**

The resolution was later signed by the Mayor and recorded by the City Recorder in the official records of the City. The resolution is as follows:

RESOLUTION 40324A

A RESOLUTION OF THE CITY COUNCIL (THE "COUNCIL") OF THE CITY OF SALEM, UTAH (THE "CITY"), PROVIDING FOR THE CREATION OF FIELDS ESTATES PUBLIC INFRASTRUCTURE DISTRICT (THE "DISTRICT") AS AN INDEPENDENT BODY CORPORATE AND POLITIC; AUTHORIZING AND APPROVING A GOVERNING DOCUMENT, AN INTERLOCAL AGREEMENT, AND A NOTICES OF BOUNDARY ACTION; DELEGATING TO CERTAIN OFFICERS OF THE CITY THE AUTHORITY TO EXECUTE AND APPROVE THE FINAL TERMS AND PROVISIONS OF THE GOVERNING DOCUMENT, THE INTERLOCAL AGREEMENT, THE NOTICES OF BOUNDARY ACTION AND ANY OTHER DOCUMENTS RELATED THERETO; APPROVING OF AN ANNEXATION AREA; AUTHORIZING THE DISTRICT TO PROVIDE SERVICES RELATING TO THE FINANCING AND CONSTRUCTION OF PUBLIC INFRASTRUCTURE WITHIN THE ANNEXATION AREA; AUTHORIZING THE DISTRICT TO PROVIDE SERVICES RELATING TO THE FINANCING AND CONSTRUCTION OF PUBLIC INFRASTRUCTURE WITHIN THE DISTRICT AREA; APPOINTING A BOARD OF TRUSTEES FOR THE DISTRICT; AUTHORIZING OTHER DOCUMENTS IN CONNECTION THEREWITH; AND RELATED MATTERS.

WHEREAS, a petition (the "Petition") was filed with the City requesting adoption by resolution the approval of the creation of a public infrastructure district pursuant to the Public Infrastructure District Act, Title 17D, Chapter 4, Utah Code Annotated 1953, as amended (the "PID Act") and relevant portions of the Limited Purpose Local Government Entities - Special Districts, Title 17B (together with the PID Act, the "Act") within the boundaries of the City and approve an annexation area (the "Annexation Area") which the District may annex into therein without further approval or hearings of the City or the Council, as further described in Governing Document Exhibits A and C (as hereinafter defined) for the purpose of financing public infrastructure costs; and

WHEREAS, pursuant to the terms of the Act, the City may create one or more public infrastructure districts by adoption of a resolution of the Council and with consent of 100% of all surface property owners proposed to be included in the District (the "Property Owners"); and

WHEREAS, the Petition, containing the consent of such Property Owners has been certified by the Recorder of the City pursuant to the Act and it is in the best interests of the Property Owners that the creation of the District be authorized in the manner and for the purposes hereinafter set forth; and

WHEREAS, the City prior to consideration of this Resolution, held a public hearing after 7:00 p.m. to receive input from the public regarding the creation of the District and the Property Owners have waived the 60-day protest period pursuant to Section 17D-4-201 of the PID Act; and

WHEREAS, it is necessary to authorize the creation of the District under and in compliance with the laws of the State of Utah and to authorize other actions in connection therewith; and

WHEREAS, the hearing on the Petition was held at the City Hall because there is no reasonable place to hold a public hearing within the District's boundaries, and the hearing at the City Hall was held as close to the applicable area as reasonably possible; and

WHEREAS, the City properly posted the notice of the public hearing in compliance with Section 17B-1-211(1) of the Act; and

WHEREAS, none of the Property Owners submitted a withdrawal of consent to the creation of the District before the public hearing on the Petition; and

WHEREAS, each board member appointed under this Resolution has previously filed with the City a disclosure of business relationships in compliance with Section 17D-4-202(9) of the PID Act; and

WHEREAS, according to attestations filed with the City, each board member appointed under this Resolution is registered to vote at their primary residence and is further eligible to serve as a board member of the District under Section 17D-4-202(3)(c) of the PID Act because they are agents of property owners within the District boundaries (as further set forth in the Petition); and

WHEREAS, the governance of the District shall be in accordance with the PID Act and the terms of a governing document (the "Governing Document") attached hereto as Exhibit B and an Interlocal Agreement between the City and the District, attached to the Governing Document as Governing Document Exhibit D; and

WHEREAS, pursuant to the requirements of the Act, there shall be signed, authenticated, and submitted to the Office of the Lieutenant Governor of the State of Utah a Notices of Boundary Action attached hereto as Exhibit C (the "Boundary Notices") and a Final Entity Plat to be attached thereto as Boundary Notices Appendix B (or as shall be finalized in accordance with the boundaries approved hereunder) (the "Plat").

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL, AS FOLLOWS:

1. Terms defined in the foregoing recitals shall have the same meaning when used herein. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Council and by officers of the Council directed toward the creation and establishment of the District, are hereby ratified, approved and confirmed.

2. The District is hereby created as a separate entity from the City in accordance with the Governing Document and the Act. The boundaries of the District shall be as set forth in the Governing Document and the Plat.

3. Pursuant to the terms of the PID Act, the Council does hereby approve the annexation of any area within the Annexation Area Boundaries into the District without any further action of the Council or the City and further approves withdrawal of any area within the Initial District Boundaries (as defined in the Governing Document) or Annexation Area Boundaries from the District without any further action, hearings, or resolutions of the Council or the City, upon compliance with the terms of the PID Act and the Governing Document.

4. The Council does hereby authorize the District to provide services relating to the financing and construction of public infrastructure within the Annexation Area upon annexation thereof into the District without further request of the District to the City to provide such service under 17B-1-407, Utah Code Annotated 1953 or resolutions of the City under 17B-1-408, Utah Code Annotated 1953.

5. It is hereby found and determined by the Council that the creation of the District is appropriate to the general welfare, order and security of the City, and the organization of the District pursuant to the PID Act is hereby approved.

6. The Governing Document and the Interlocal Agreement in the form presented to this meeting and attached hereto as Exhibits B and Governing Document Exhibit D are hereby authorized and approved and the District shall be governed by the terms thereof and applicable law.

7. The District Board for the Districts is hereby appointed as follows:

- (a) Trustee 1 – Pete Evans for an initial six-year term.
- (b) Trustee 2 – Terry Wade for an initial six-year term.
- (c) Trustee 3 – Bronson Tatton for an initial four-year term.
- (d) Such terms shall commence on the date of issuance of a Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah.

8. The Council does hereby authorize the Mayor or a Councilperson to execute the Boundary Notices in substantially the form attached as Exhibit C and such other documents as shall be required to finalize the actions contemplated herein on behalf of the Council for submission to the Office of the Lieutenant Governor of the State of Utah.

9. Prior to certification of the creation of the District by the Office of the Lieutenant Governor of the State of Utah, the Council does hereby authorize the Mayor, a Councilperson, or their designee to make any corrections, deletions, or additions to the Governing Document, the Interlocal Agreement, and the Boundary Notices or any other document herein authorized and approved (including, but not limited to, corrections to the property descriptions therein contained) which may be necessary to conform the same to the intent hereof, 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 (provided that the debt and mill levy limitations established therein may not be modified pursuant to this provision).

10. The Board of Trustees of each District (the “District Board”) is hereby authorized and directed to record such Governing Document with the recorder of Utah County within thirty (30) days of the issuance of a Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah.

11. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

12. All acts, orders and resolutions, and parts thereof in conflict with this Resolution be, and the same are hereby, rescinded.

13. This resolution shall take effect immediately provided that, in the event that the Plat is not finalized for submission to the Office of the Lieutenant Governor until a date that is more than thirty (30) days after adoption of this Resolution, the effective date of this Resolution will be deemed to be the date the Plat is finalized, as certified in writing by any one of the Mayor, a Councilperson, or the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Salem, Utah, this April 3, 2024.

CITY OF SALEM, UTAH

By: *Kent J. Christensen*
Mayor

ATTEST:

By:

[Signature]
City Recorder

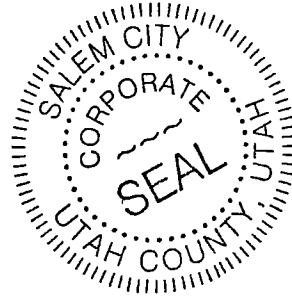
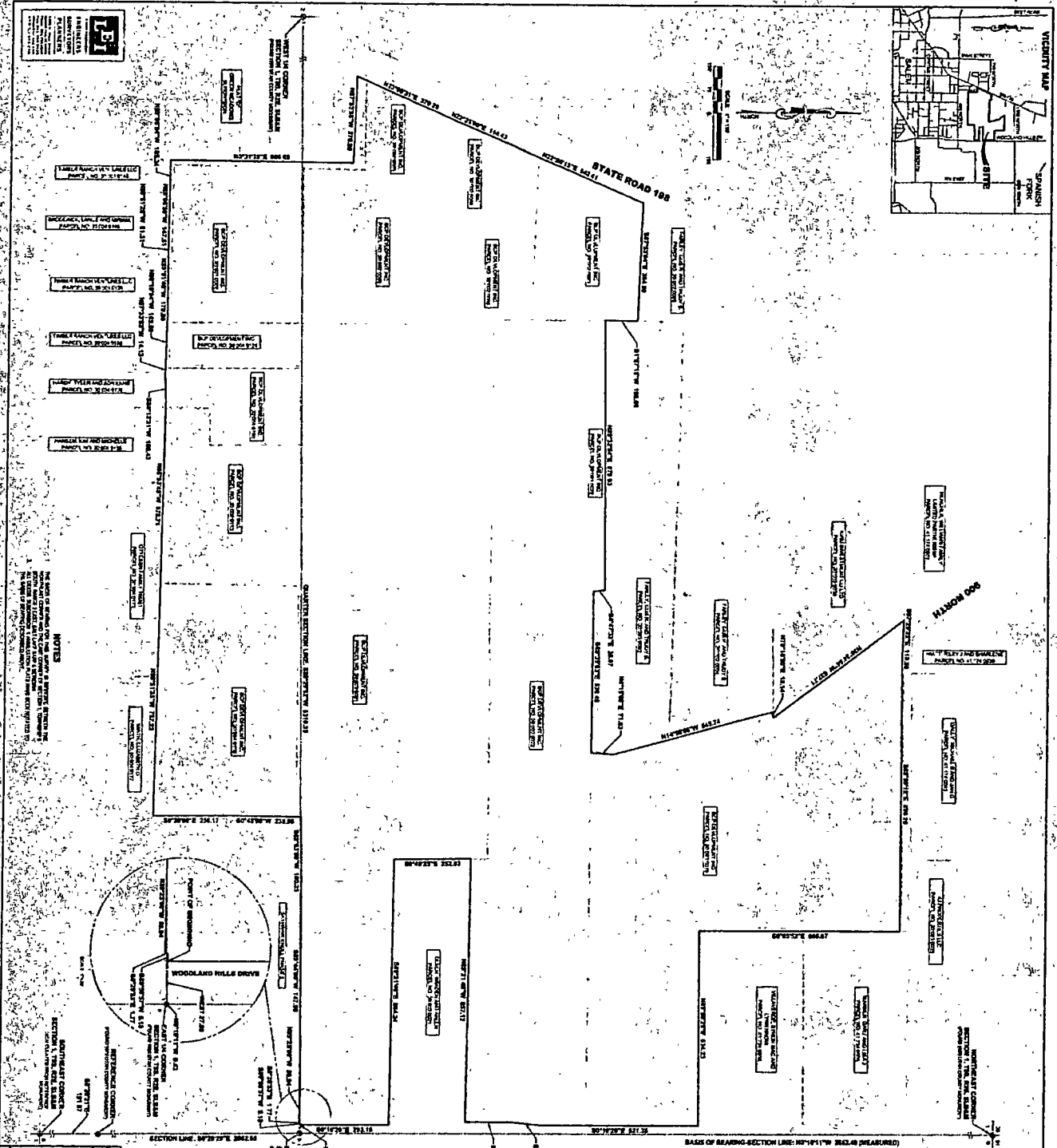
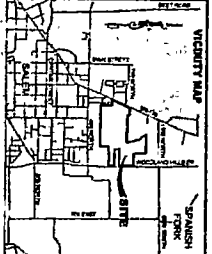
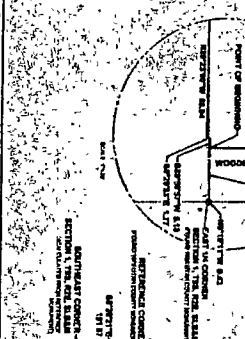


EXHIBIT "B" TO NOTICES OF BOUNDARY ACTION

Final Local Entity Plats



NOTES
1. THIS SURVEY IS BASED ON THE DATA PROVIDED BY THE CLIENT AND THE SURVEYOR HAS NOT CONDUCTED ANY FIELD VERIFICATION OF THE DATA.
2. THE SURVEYOR HAS NOT CONDUCTED ANY FIELD VERIFICATION OF THE DATA.
3. THE SURVEYOR HAS NOT CONDUCTED ANY FIELD VERIFICATION OF THE DATA.



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FINAL LOCAL ENTRY PLAT

FIELDS ESTATES PUBLIC INFRASTRUCTURE DISTRICT

STATE OF TEXAS
COUNTY OF []

ACCEPTANCE BY COUNTY SURVEYOR
I, the undersigned, County Surveyor of [] County, Texas, do hereby certify that the foregoing is a true and correct copy of the original survey as shown to me by the surveyor and that the same conforms to the provisions of the laws of this State relating to the recording of surveys.
WITNESSE MY HAND AND SEAL OF OFFICE THIS [] DAY OF [] 2024.

MADE CITY ACCEPTANCE
I, the undersigned, Mayor of the City of [], do hereby certify that the foregoing is a true and correct copy of the original survey as shown to me by the surveyor and that the same conforms to the provisions of the laws of this State relating to the recording of surveys.
WITNESSE MY HAND AND SEAL OF OFFICE THIS [] DAY OF [] 2024.

ACCEPTANCE BY FIELD SURVEYOR
I, the undersigned, Surveyor, do hereby certify that the foregoing is a true and correct copy of the original survey as shown to me by the surveyor and that the same conforms to the provisions of the laws of this State relating to the recording of surveys.
WITNESSE MY HAND AND SEAL OF OFFICE THIS [] DAY OF [] 2024.

SURVEYOR'S CERTIFICATE
I, the undersigned, Surveyor, do hereby certify that the foregoing is a true and correct copy of the original survey as shown to me by the surveyor and that the same conforms to the provisions of the laws of this State relating to the recording of surveys.
WITNESSE MY HAND AND SEAL OF OFFICE THIS [] DAY OF [] 2024.

