BRIAN HEAD

The Regular Meeting of the
Brian Head Town Council Acting
Brian Head Town Hall – Council Chambers
56 North Highway 143 – Brian Head, UT 84719
www.Zoom.us (Click Here)
Via Zoom Meeting ID# 810 5169 3864

TUESDAY, OCTOBER 22, 2024 @ 1:00 PM

AGENDA

A. CALL TO ORDER
B. PLEDGE ALLEGIANCE
C. DISCLOSURES
D. APPROVAL OF THE MINUTES:
1. September 10, 2024, Town Council Meeting Minutes
2. September 10, 2024, Town Council Closed Meeting Minutes

E. REPORTS / PUBLIC INPUT ON NON-AGENDA ITEMS. Public input is limited to three (3) minutes on non-agenda items.

F. AGENDA ITEMS:

1. **A RESOLUTION AUTHORIZING THE $604,060 TOWN OF BRIAN HEAD, UTAH TAXABLE SPECIAL ASSESSMENT BONDS, SERIES 2024 (SPECIAL ASSESSMENT AREA NO. 2023-1 SNOWSHOE-TOBOGGAN (THE "BONDS"), PROVIDING FOR THE CONTINUANCE OF A RESERVE FUND AS PROVIDED BY STATUTE; AND RELATED MATTERS.** Shane Williamson, Town Treasurer. The Council will consider a resolution for the bonding on the Snowshoe/Toboggan Special Assessment Area.

2. **BRIAN HEAD TOWN'S 50TH ANNIVERSARY CELEBRATION UPDATE.** Nancy Leigh, Town Clerk. Nancy will give an update for the upcoming 50th anniversary celebration events in 2025.

3. **SPECIAL ASSESSMENT AREA POLICY AMENDMENT**. Bret Howser, Town Manager. The Council will consider a resolution for an amendment to the Special Assessment Area Policy

4. **FUTURE AGENDA ITEMS.** The Council will discuss potential items for future agendas.

G. ADJOURNMENT

Date: October 18, 2024

Available to Board Members as per Ordinance No. 11-003 authorizes public bodies, including the Town, to establish written procedures governing the calling and holding of electronic meetings at which one or more members of the public board may participate by means of electronic communications. In compliance with the Americans with Disabilities Act, persons needing auxiliary communications aids and services for this meeting should call Brian Head Town Hall @ (435) 677-2029 at least three days in advance of the meeting.

CERTIFICATE OF POSTING

I hereby certify that I have posted copies of this agenda at the following conspicuous locations; the Post Office, The Mall, and the Brian Head Town Hall and have posted copies on the Utah Meeting Notice Website and the Brian Head Town website and have caused a copy of this notice to be delivered to the Daily Spectrum, a newspaper of general circulation.

Nancy Leigh, Town Clerk

BRIAN HEAD

Code Enforcement

May 2024 - September 2024

The months of May - September have been steady with contractors. Listed below are the stats for the months:

Warnings Issued: Total: 65

- Attractive Nuisances: 1
- Address posting on job site: 6
- Dumpsters on job site: 14
- Porta-John on job site: 6
- Operating without a license: 11
- Excavating/Grading without permit: 2
- Modification of CUP: 1
- Camping: 9
- Construction without a permit: 1
- Minor Alterations: 1
- Parking: 0
- Concrete dumping in right - of – Way: 13

Citations Issued: 4

- Operating without a License (STR): 4
- Temporary Sign: 0
- Accessory Structure: 0

Resolved Warnings, Citations & Flag permits: Total: 51

- Attractive Nuisances: 1
- Address posting on job site: 3
- Dumpsters on job site: 12
- Porta-John on job site: 6
- Operating without a license: 9
- Excavating/Grading without permit: 2
- Modification of CUP: 0
- Camping: 9
- Construction without a permit: 1
- Minor Alterations: 1
- Parking: 0
- Concrete dumping in right - of – Way: 7

Code Enforcement is currently working with construction sites throughout the Town. Most people have been cooperative, but there have been a few that have expressed their concern about minor alterations and how it is unknow that they need to have a permit to fix their home up.

If you have any questions on what's happening in Code Enforcement, please do not hesitate to contact me.

STAFF REPORT TO THE TOWN COUNCIL

BRIAN HEAD

ITEM: 2024 SNOW SHOE & TOBOGGAN SAA BONDS PUBLIC HEARING & AUTHORIZING BOND RESOLUTION

AUTHOR:	Shane Williamson, Town Treasurer
DEPARTMENT:	Administration
DATE:	October 22, 2024
TYPE OF ITEM:	Legislative Action

SUMMARY:

The Council will hold a Public Hearing to receive public comments concerning the issuance of Sewer Revenue Bonds. Subsequently, the Council will consider a Resolution authorizing the maximum repayable amount of $604,060 in special assessment bonds to construct water system improvements, and related matters.

BACKGROUND:

Earlier this winter, the Town's Public Works Director, Aldo Biasi, applied for and received funding from the Utah Division of Environmental Quality to help fund sewer projects found in the new capital facilities plan. With the approval of the funding, the Town must go through the statutory bonding process to receive the funds, which began with the council adopting the parameters resolution during the March 26, 2024, Council meeting.

ANALYSIS:

The Snow Shoe & Toboggan Special Assessment Bonds issuance aims to fund critical water and fire protection infrastructure projects that will benefit our community.

Bond Terms:

- Duration: 10 years
- Interest Rate: 0%
- Principal Amount: $604,060
- Purchaser: Utah Drinking Water Board

Principal Adjustments:

The original principal amount for this bond was $652,000. However, due to $47,940 in pre-payments received from assessed properties, the bond principal has been reduced to $604,060. This proactive financial participation by property owners significantly alleviates the burden on the overall bond amount.

Additional Funding Sources:

- **ARPA Grant:**
  - Amount: $507,870
  - Source: Utah Drinking Water Board
  - Purpose: Support water infrastructure projects in response to the COVID-19 pandemic.

- **Principal Forgiveness Grant:**
  - Amount: $271,934
  - Source: Utah Drinking Water Board
  - Purpose: Alleviate the financial burden on the town by forgiving a portion of the loan principal.

- **Town Contribution:**
  - Amount: $375,000
  - Source: Town of Brian Head
  - Purpose: Further investment from the town's budget to ensure the successful completion of the project.

The proposed special assessment bonds, augmented by substantial grants and town contributions, ensure that the Snow Shoe & Toboggan Special Assessment Area project is financially viable and sustainable. This project is pivotal for further developing our community's water infrastructure and enhancing our fire protection capabilities. Adoption of the final bond resolution will enable us to proceed with this essential project, securing the well-being and development of our community's infrastructure.

FINANCIAL IMPLICATIONS:

Issuing the bonds will require the Town to repay $604,060. However, the lots associated with the Snow Shoe & Toboggan Special Assessment area are required by property lien to pay a total assessment of $9,588. Such assessments will be spread across the term of the bonds and billed each year through the property tax bills sent by Iron County. Failure to pay the assessment will allow the Town to begin steps to foreclose on the property to make to repay the assessment to the town.

BOARD/COMMISSION RECOMMENDATION:

N/A

STAFF RECOMMENDATION:

Staff recommend that the Council adopt the attached authorizing bond resolution.

PROPOSED MOTION:

I move to adopt Resolution number 24-551 authorizing the maximum repayable amount of $604,060 special assessment bonds, to construct water system improvements; and related matters**.**

ATTACHMENTS:

A – Authorizing Bond Resolution

TOWN OF BRIAN HEAD, UTAH
BOND RESOLUTION
October 22, 2024

RESOLUTION NO. 24-___

A RESOLUTION AUTHORIZING THE $604,060 TOWN OF BRIAN HEAD, UTAH TAXABLE SPECIAL ASSESSMENT BONDS, SERIES 2024 (SPECIAL ASSESSMENT AREA NO. 2023-1 SNOWSHOE-TOBOGGAN (THE "BONDS"), PROVIDING FOR THE CONTINUANCE OF A RESERVE FUND AS PROVIDED BY STATUTE; AND RELATED MATTERS.

WHEREAS, the Town Council of the Town of Brian Head, Utah (the "Issuer"), has heretofore adopted proceedings for the construction of improvements (the "Improvements") in the Issuer's Special Assessment Area Nos. 2023-1 (Snowshoe-Toboggan), (the "Assessment Area"), and has adopted and approved an Assessment Ordinance for the Assessment Area confirming the assessment roll for such Improvements on August 27, 2024 (the "Assessment Ordinance"); and

WHEREAS, the Assessment Ordinance has been published in accordance with the requirements of the laws of the State of Utah, and notice of assessment, as amended, has been mailed by an officer of the Issuer to all the owners of property assessed in the Assessment Area; and

WHEREAS, the total cost of the Improvements in the Assessment Area No. 2023-1 (Snowshoe-Toboggan) is $2,881,000, of which total cost the Issuer's portion or amount to be paid by the Issuer from Issuer funds, ARPA grant, and Principal Forgiveness and other available funds is $2,229,999 for a total amount that was assessed of $652,000; and

WHEREAS, certain property owners in the Snowshoe-Toboggan (SAA 2023-1) prepaid their special assessments; and

WHEREAS, consistent with the August 27, 2024 Assessment Ordinance, the Issuer desires to issue bonds to finance the construction of the improvements related to the assessment area for the properties that did not prepay their assessments; and

WHEREAS, the State of Utah Department of Environmental Quality, Drinking Water Board (the "DWB") has committed to purchase the Issuer's Taxable Special Assessment Bonds, Series 2024 (Assessment Area Nos. 2023-1 – Snowshoe-Toboggan) in the total principal amount of $604,060.00 bearing no interest (the "Bonds") with principal forgiveness in the maximum total amount of $271,934 upon the terms and conditions as set forth herein; an

WHEREAS, the Town Council has determined that it is in the best interest of the Issuer to accept the commitment of the DWB for the purchase of the Bonds and to award the sale of the Bonds to the DWB:

NOW, THEREFORE, Be It Resolved by the Town Council of the Town of Brian Head, Utah:

ARTICLE I

DEFINITIONS; AUTHORITY

Section 1.1. Definitions. As used in this Bond Resolution, unless the context shall otherwise require, the following terms shall have the following meanings:

"Act" means the Special Assessment Area Act, Title 11, Chapter 42, Part 2, Utah Code Annotated 1953, as amended.

"Annual Debt Service Requirement" means the total principal, interest, if any, due and payable on the Bonds for any one Bond Fund Year.

"Assessment Area" means the Town of Brian Head, Utah, Special Assessment Area Nos. 2023-1 (Snowshoe-Toboggan).

"Assessment Ordinance" means the assessment ordinance of the Issuer adopted on August 27, 2024, wherein the Issuer has assessed the owners of property which has been benefited by the improvements constructed within the Assessment Area.

"Average Annual Debt Service Requirement" means the sum of all Annual Debt Service Requirements of the Bonds, divided by the total number of Bond Fund Years.

"Bond Fund Year" means the 12-month period beginning July 1 of each year and ending October 30 of the following year, except that the first Bond Fund Year shall begin on the date of delivery of the Bonds and shall end on the next October 30th.

"Bond Registrar" means each Person appointed by the Issuer as bond registrar and agent for the transfer, exchange and authentication of the Bonds. Pursuant to Section 2.7 hereof the initial Bond Registrar is the Town Clerk of the Issuer.

"Bond Resolution" means this Resolution of the Issuer adopted on October 22, 2024, authorizing the issuance and sale of the Bonds.

"Bondholder" or "Holder" means the registered owner of any Bond as shown in the registration books of the Issuer kept by the Bond Registrar for such purpose.

"Bonds or Series 2024 Bonds" means the $604,060 Town of Brian Head, Utah Taxable Special Assessment Bonds, Series 2024 (Special Assessment Area Nos. 2023-1 – Snowshoe-Toboggan) of the Issuer authorized by this Bond Resolution.

"Construction Fund" means the fund of the Issuer as referenced in Section 4.5.

"DWB, or Drinking Water Board, or Purchaser" means the State of Utah acting through the Department of Environmental Services, Drinking Water Board, or any successor agency.

"Escrow Agent" means Utah State Treasurer, Salt Lake City, Utah, who shall so act pursuant to the terms of the Escrow Agreement.

"Escrow Agreement" means the agreement entered into among the Issuer, the DWB, and the Escrow Agent on the date of delivery of the Bonds.

"Exchange Bonds" means the fully registered Bonds issued in substantially the form set forth in Exhibit A-2, in exchange for the State Bonds representing the Bonds or in exchange for other Exchange Bonds.

"Fully Registered Bond" means any single Bond that is fully registered in the denomination(s) equal to the aggregate principal amount of the applicable Bonds authorized herein.

"Finance Director" means the Finance Director or Deputy Finance Director of the Issuer.

"Fully Registered Bond" means any single Fully Registered Bond in the denomination(s) equal to the aggregate principal amount of the applicable Bonds authorized herein.

"Reserve Fund" means the Special Assessment Reserve Fund established by the Issuer to secure timely payment of all special assessment bonds issued by the Issuer pursuant to the Act the Snowshoe-Toboggan Special Assessment Area No. 2023-1.

"Installment" means the amount of the Bonds due in any one year, represented by installments due pursuant to the Bond and the amount of principal due at maturity with respect to any Bond.

"Issuer" means the Town of Brian Head, Utah.

"Mayor" means the Mayor or in the Mayor's absence the Mayor Pro Tem of the Issuer.

"Paying Agent" means each Person appointed by the Issuer as paying agent with respect to the Bonds. Pursuant to Section 2.9 hereof the initial Paying Agent is the Town Clerk of the Issuer.

"Person" means natural persons, firms, partnerships, associations, corporations, trusts, public bodies and other entities.

"Project" means the acquisition and construction of improvements in the Assessment Area as set forth in the Assessment Ordinance, and related improvements, including all equipment and facilities to complete the improvements in a proper and workmanlike manner.

"Qualified Investments" means any investments authorized under the Utah State Money Management Act.

"Record Date" means in the case of each interest payment date, the Bond Registrar's close of business on the fifteenth day immediately preceding such interest payment date.

"State Bonds" means the fully registered Bonds issued in substantially the form set forth in Exhibit A-1 in the denominations equal to the aggregate principal amount of the Bonds.

"Town Clerk" means the Town Clerk of the Issuer or any Deputy Town Clerk.

The terms "hereby," "hereof," "hereto," "herein," "hereunder," and any similar terms as used in this Bond Resolution, refer to this Bond Resolution.

Section 1.2. Authority for Bond Resolution. This Bond Resolution is adopted pursuant to the provisions of the Act.

ARTICLE II

AUTHORIZATION, TERMS AND ISSUANCE OF BONDS

Section 2.1. Principal Amount, Designation, Series. The Bonds are hereby authorized for issuance for the purpose of providing funds (i) to finance, in part, the costs of the construction of the Project, and (ii) to pay costs incurred in connection with the issuance of the Bonds. The Bonds shall be limited to $604,060 in aggregate principal amount, shall be issued in the form set forth in Exhibit "B" in fully registered form, shall bear no interest and shall be payable as specified herein. The Bonds shall be numbered from one (1) consecutively upward in order of delivery by the Registrar. The Bonds shall be designated as and shall be distinguished from the bonds of all other series by the title, "Town of Brian Head, Utah Taxable Special Assessment Bonds, Series 2024 (Assessment Area Nos. 2023-1 (Snowshoe-Toboggan)".

The Bonds shall be in a form to permit the Drinking Water Board to make incremental advances on its total loan commitment to the Issuer during the period of acquisition and construction of the Project.

Section 2.2. Advances of Proceeds. On or before fifteen (15) days prior to the first day of each calendar quarter, beginning prior to the payment by the Issuer of costs of construction of the Project, or at such other time as shall be specified by the Drinking Water Board, the Issuer shall provide to the Drinking Water Board a certificate setting forth a schedule of the costs of the Project which the Issuer estimates will become due and payable by the Issuer prior to the next succeeding calendar quarter and are properly payable with the proceeds of the Bonds. Advances made by the Drinking Water Board on the basis of such certificates shall be deposited in the Escrow Fund. All such advances shall be in the minimum amount of $1,000 or any integral multiple thereof. Upon receipt of evidence of deposit of each advance in the Escrow Fund, the District Secretary or Chair of the Issuer shall give telephonic authorization followed by written confirmation to the Drinking Water Board to stamp or write the date and amount of such advance made by the Drinking Water Board and the corresponding "Principal Amount" in the appropriate place on the Certificate of Dates of Payment and Amount appearing on the State Bonds. Each advance made by the Drinking Water Board on the State Bonds shall constitute proceeds of the State Bonds and shall be deemed to constitute the full purchase price and Total Principal Sum of the State Bonds noted on the Certificate of Dates of Payment and Amount appearing on the State Bonds. As advances are made by the Drinking Water Board, the Total Principal Sum shall constitute the "Principal Amount" of the Bonds in the order of maturity of the Bonds.

Section 2.3. Debt Forgiveness. The Drinking Water Board has committed to purchase the Bonds for a maximum purchase price not to exceed $875,994. The Drinking Water Board has also agreed to forgive and relieve the Issuer of a maximum amount of $271,934 such that the maximum Repayable Principal Amount of the Bonds shall not exceed $604,060. Accordingly, 31.05% of each incremental advance (plus $1,000 for all incremental advances combined) pursuant to Section 2.2 hereof shall be forgiven and shall be recorded under the "Principal Forgiveness Amount" column on the Certificate of Dates of Payment and Amount on the State Bond certificate. The remaining 68.95% of each incremental advance shall be recorded under the "Repayable Principal Amount" column on the Certificate of Dates of Payment and Amount and shall constitute the total principal repayment obligation of the Issuer with respect to the Bonds.

Section 2.4. Date and Maturities. The Bonds shall be dated as of their date of delivery and shall be paid as provided in this 4. The Bonds shall be initially issued as a single fully registered Bond.

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or by redemption, shall be payable upon presentation of the applicable Bond at the offices of the Paying Agent for endorsement or surrender, or of any successor Paying Agent. Payment of interest shall be made to the Registered Owner thereof and shall be paid by check or draft mailed to the Registered Owner thereof at his address as it appears on the registration books of the Issuer maintained by the Registrar or at such other address as is furnished to the Registrar in writing by such Registered Owner. All payments shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America.

So long as the DWB is the Registered Owner of the Bonds, payments of principal and interest, if any, shall be made by check or draft and mailed to the DWB as the Registered Owner at the address shown on the registration books maintained by the Bond Registrar.

Interest shall begin to accrue on the dated date of the Bonds, and shall be payable on October 1 of each year beginning October 1, 2025, and the Issuer shall make the principal payments stated for each year, together with accrued but unpaid interest, if any, on the total principal sum outstanding, beginning October 1, 2025, and continuing on each October 1 thereafter until the total principal sum shall be paid in full, as follows:

October 1	Principal Maturing
2025	$60,406
2026	60,406
2027	60,406
2028	60,406
2029	60,406
2030	60,406
2031	60,406
2032	60,406
2033	60,406
2034	60,406

The Series 2024 Bonds shall bear interest on delinquent payments or principal or interest at the rate of 18% per annum on the unpaid principal balance, which shall accrue until all delinquent payments of principal and delinquent interest is paid in full.

Section 2.5. Optional Redemption and Redemption Prices. Each principal payment of the Bond is subject to prepayment and redemption on any payment date upon 30 days written notice prior to any payment date, in whole or in part, at the election of the Issuer, by lot selected by the Issuer if less than all of the Bonds of a particular due date are to be redeemed, upon notice as provided in 2.6 hereof, and upon at least thirty (30) days' prior written notice of the amount of prepayment and the date scheduled for prepayment to the DWB with respect to the Bonds, and at a redemption price equal to 100% of the principal amount to be prepaid or redeemed, plus accrued interest on delinquent payments, if any, to the date of redemption.

Section 2.6. Notice of Redemption for Bonds.

(a) In the event any of the Bonds are to be redeemed, the Registrar shall cause notice to be given as provided in this 6. Notice of such redemption shall be mailed by first class mail, postage prepaid, to all Registered Owners of Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar at least thirty (30) days but not more than forty-five (45) days prior to the date fixed for redemption. Such notice shall state the following information:

(i) the complete official name of the Bonds, including series, to be redeemed, the identification numbers of the Bonds being redeemed;

(ii) any other descriptive information needed to identify accurately the Bonds being redeemed, including, but not limited to, the original issue date of such Bonds;

(iii) in the case of partial redemption of any Bonds, the respective principal amounts thereof to be redeemed;

(iv) the date of mailing of redemption notices and the redemption date;

(v) the redemption price;

(vi) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption; and

(vii) the place where such Bonds are to be surrendered for payment of the redemption price, designating the name and address of the redemption agent with the name of a contact person and telephone number.

(b) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall identify the Bonds being redeemed with the proceeds of such check or other transfer.

(c) The Registrar shall not give notice of such a redemption until there are on deposit with the Paying Agent sufficient funds for the payment of the redemption price.

Notice of redemption shall be given, not more than forty-five (45) days nor less than thirty (30) days prior to the redemption date, to Registered Owners of the Bonds, or portions thereof, to be redeemed. A second notice of redemption shall be given, not later than ninety (90) days subsequent to the redemption date, to Registered Owners of Bonds or portions thereof redeemed but who failed to deliver Bonds for redemption prior to the 60th day following such redemption date. Any notice mailed shall be conclusively presumed to have been duly given, whether or not the Registered Owner of such Bonds receives the notice. Receipt of such notice, shall not be a condition precedent to such redemption, and failure so to receive any such notice by any of such Registered Owners shall not affect the validity of the proceedings for the redemption of the Bonds.

In case any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond in principal amount equal to the unredeemed portion of such Bond will be issued.

Section 2.7. Execution and Delivery of the Bonds. The Mayor of the Issuer is hereby authorized to execute by manual or facsimile signature the Bonds and the Town Clerk of the Issuer to countersign by manual or facsimile signature the Bonds and to have imprinted, engraved, lithographed, stamped or otherwise placed on the Bonds the official seal of the Issuer. The Town Clerk of the Issuer is hereby authorized to deliver to the DWB the Bonds upon the initial incremental advance payment to the Issuer of the proceeds of the Bonds.

Section 2.8. Delinquent Payment. Payments of principal and delinquent interest, if any, on the Bonds which are delinquent from the due date thereof shall draw interest at the rate of 18% per annum on the unpaid principal balance of the Bonds set forth in Section 2.4 hereof, until paid in full.

Section 2.9. Designation of Bond Registrar and Paying Agent. The Town Clerk of the Issuer is hereby designated as the initial Bond Registrar and Paying Agent for the Bonds.

Section 2.10. Bonds Form. As long as the DWB is the sole Registered Owner of the Bonds, the Bonds shall be issued only as the single fully registered Bond in the form prescribed in Exhibit “B”. It is recognized that the DWB may sell or otherwise transfer the Bonds pursuant to the provisions of the State Financing Consolidation Act, Title 63, Chapter 65, Utah Code Annotated 1953, as amended, or otherwise. In the event the DWB determines to sell or otherwise transfer all or a portion of the Bonds pursuant to the State Financing Consolidation Act, or otherwise, the Bonds shall be exchanged at the office of the Paying Agent for a like aggregate principal amount of Bonds in accordance with the provisions of this Section 2.10 and Section 3.2 hereof. Bonds may thereafter be exchanged from time to time for other Bonds in accordance with Section 3.2 hereof. Each principal payment on the Bonds not previously paid or cancelled shall be represented by an equivalent principal amount of Bonds, in authorized denominations, and of like maturity. The Issuer and its officers shall execute and deliver such documents and perform such acts as may reasonably be required by the Issuer to accomplish the exchange of the Bonds for Bonds, provided that the DWB shall pay or cause to be paid all costs and other charges incident to such exchange and the Issuer shall have no obligation to pay any such costs or charges.

ARTICLE III

TRANSFER AND EXCHANGE OF BONDS; BOND REGISTRAR

Section 3.1. Transfer of Bonds.

(a) Any Bond may, in accordance with its terms, be transferred, upon the registration books kept by the Bond Registrar pursuant to Section 3.5 hereof, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Bond Registrar, duly executed. No transfer shall be effective until entered on the registration books kept by the Bond Registrar. The Issuer, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal or redemption price thereof and interest due thereon and for all other purposes whatsoever.

(b) Whenever any Bond or Bonds shall be surrendered for transfer, the Bond Registrar shall authenticate and deliver a new fully registered Bond or Bonds (which may be a Bond or Bonds pursuant to Section 3.2 hereof) of the same series, designation, maturity and interest rate and of authorized denominations duly executed by the Issuer, for a like aggregate principal amount. The Bond Registrar shall require the payment by the Bondholder requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer. With respect to each Bond, no such transfer shall be required to be made (i) after the Record Date with respect to any interest payment date to and including such interest payment date, or (ii) after the Record Date with respect to any redemption of such Bond.

(c) The Issuer shall not be required to register the transfer of or exchange any Bond selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. Upon surrender of any Bond redeemed in part only, the Issuer shall execute and the Bond Registrar shall authenticate and deliver to the Bondholder, at the expense of the Issuer, a new Bond or Bonds (which may be a Bond or Bonds pursuant to Section 3.2 hereof) of the same series, designation, maturity and interest rate and of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bond surrendered.

Section 3.2. Exchange of Bonds. Bonds may be exchanged at the office of the Bond Registrar for a like aggregate principal amount of fully registered Bonds of the same series, designation, maturity and interest rate, if any, of other authorized denominations. The Bond Registrar shall require payment by the Bondholder requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. The exchange of Bonds may be either a single fully registered Bond or a serial Bond as may be agreed upon with the subsequent Bond owner.

Section 3.3. Bond Registration Books. This Bond Resolution shall constitute a system of registration within the meaning and for all purposes of the Registered Public Obligations Act, Title 15, Chapter 7, Utah Code Annotated 1953. The Bond Registrar shall keep or cause to be kept, at its principal office, sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the Issuer; and, upon presentation for such purpose, the Bond Registrar shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as herein provided.

Section 3.4. List of Bondholders. The Bond Registrar shall maintain a list of the names and addresses of the Holders of all Bonds and upon any transfer shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholders.

Section 3.5. Duties of Bond Registrar. The obligations and duties of the Bond Registrar hereunder may include the following:

(a) to act as bond registrar, authenticating agent, paying agent, and transfer agent as provided herein;

(b) to maintain a list of Bondholders as set forth herein;

(c) to give notice of redemption of Bonds as provided herein; and

(d) to cancel and/or destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;

ARTICLE IV

COVENANTS AND UNDERTAKINGS

Section 4.1. Covenants of Issuer. All covenants, statements, representations and agreements contained in the Bonds, and all recitals and representations in this Bond Resolution are hereby considered and understood and it is hereby resolved that all said covenants, statements, representations and agreements of the Mayor, are the covenants, statements, representations and agreements of the Issuer.

Section 4.2. Ratification of Prior Proceedings. All the proceedings heretofore taken and adopted for the creation of the Assessment Area and for the construction of improvements therein and the assessment of a part of the cost of constructing such improvements on and against the private properties in the Assessment Area shall be and the same are hereby ratified, approved, and confirmed. No assessment will exceed the benefit to be derived from the improvements by the piece of property assessed, and no parcel of property will bear more than its proportionate share of the cost of the improvements to be made.

Section 4.3. Levy and Collection of Assessments. The Town Manager shall be and is hereby authorized and empowered, and it shall be his/her duty to receive and collect all assessments levied to pay the cost of said improvements of the Assessment Area, the installments thereon, the interest, if any, thereon, and the penalties accrued, including without limiting the generality of the foregoing, the whole of the unpaid principal, interest, if any, and penalties accrued which become due and payable immediately because of the failure to pay any installment whether of principal or interest, if any, when due, and to pay and disburse such payments to the person or persons lawfully entitled to receive the same in accordance with the laws of the State of Utah and all the ordinances and resolutions of the Issuer heretofore or to be hereafter adopted.

All moneys constituting the payment of principal and interest, if any, shall be placed in a regular fund to be designated “Special Assessment Fund of Town of Brian Head, Utah Special Assessment Area No. 2023-1” (“Special Assessment Fund”), and shall be used for the purpose of paying the principal of and the interest, if any, on the Bonds of the Assessment Area and for no other purpose whatsoever, and as security for such payment, said fund is hereby pledged.

Section 4.4. Investment of Funds. Moneys deposited in the Special Assessment Fund and the Reserve Fund may be invested in Qualified Investments and shall be maintained in accounts with the a qualified bank or institution for so long as the original DWB may own the Bonds.

Section 4.5. Construction Fund. Proceeds from the Bonds including Principal Forgiveness and the Total Repayable Principal amount in the maximum amount of $875,994.00 shall be deposited by the Paying Agent into an account that will not be comingled with any other funds to be designated as the “Construction Fund” to pay costs of construction and issuance related to the Bonds. In addition, the Issuer shall deposit all prepaid assessments in the amount of $47,940.00 into the Construction Fund, such that a total of $923,934.00 shall be deposited into the Construction Fund to pay for the acquisition and construction of the Improvements in the Assessment Area as defined in the Assessment Ordinance.

The amounts deposited into the Construction Fund shall be deposited upon delivery into the Escrow Account and shall be disbursed pursuant to the provisions of the Escrow Agreement. All monies deposited in the Escrow Account shall be used solely for the purpose of defraying all or a portion of the costs of the Project including the payment of costs of issuance of the Series 2024 Bonds. Any amounts remaining in the Escrow Fund after repayment of excess grant funds or Principal Forgiveness shall be transferred to the Bond Sinking Fund, and then if any amounts are remaining they shall be used only for the prepayment of the Series 2024 Bonds. Principal last to become due shall be prepaid first, and in the event less than all of the principal amount of the Bonds maturing on the last due date are to be redeemed, the Issuer shall by lot select those Bonds to be prepaid. Proceeds from the sale of the Series 2024 Bonds on deposit in the Escrow Account, may at the discretion of the Issuer, be invested by the Escrow Agent as provided in the Escrow Agreement. Following the transfer of unexpended funds from the Escrow account to the Sinking Fund, the Escrow Account will be closed.

Any unexpended balance remaining in the Escrow Account after completion of the Project shall be transferred as soon as practicable (a) first to each party or entity, other than the Issuer, contributing the grant funds or Principal Forgiveness to the Project in proportion to the amount of grant funds originally deposited into the Escrow Account and (b) then to the "sinking Fund" established hereunder, and shall be used only for the prepayment of the Series 2024 Bonds in inverse order of maturity. Proceeds from the sale of the Series 2024 Bonds on deposit in the Escrow Account may, at the discretion of the Issuer, be invested by the Escrow Agent as provided in the Escrow Agreement. Following the transfer of the unexpended funds from the Escrow Account to the Sinking Fund, the Escrow Account will be closed.

Section 4.6. Reserve Fund. The provisions of Section 12 of the Assessment Ordinance in reference to the Reserve Fund are hereby readopted. A Reserve Fund is hereby created. The Reserve Fund shall be funded by the Issuer by depositing $6,712 per year from the Special Assessment Fund until a total amount of $60,406 (the "Reserve Fund Requirement") is accumulated in the Reserve Fund. Moneys on deposit in the Reserve Fund shall be used to make up any deficiencies in the Special Assessment Fund for the Bonds.

Moneys at any time on deposit in the Reserve Fund in excess of the Reserve Fund Requirement shall on November 1 of each year be transferred to the Payment Account within the Special Assessment Fund to be used to pay principal and/or interest, if any, on the Bonds as the same come due. All assessment payments coming due on the next assessment payment date shall be reduced pro rata as a result of said transfer from the Reserve Fund.

If the Issuer receives prepayments of assessments under Section 8 of Assessment Ordinance adopted on August 27, 2024, then the Issuer may partially redeem the Bonds and the Reserve Fund may be resized to be the amount of assessments that remains outstanding after the prepayment of assessments and partial redemption of the Bonds.

Section 4.7. <u>Insufficiencies in Assessment Fund</u>. Should there be insufficient money in the Special Assessment Fund to pay all of the interest falling due at one time and the principal amount thereof due, the interest, if any, and principal shall be paid from the Reserve Fund to the extent that there is sufficient money in the Reserve Fund for this purpose, and the Bonds are payable exclusively from the regular assessments levied for said purpose and from the Reserve Fund. In the event there are insufficient moneys on deposit in the Reserve Fund, the Issuer shall either issue interim warrants drawing interest at the rate or rates determined by the Issuer against the Reserve Fund as provided in Section 4.10 hereof or fund the Reserve Fund as provided in Section 4.5 hereof, to meet such deficiencies.

Section 4.8. <u>Lien of Assessment</u>. The assessments, any interest accruing on the assessments and the penalties and costs of collection of the assessment shall continue to constitute and are hereby declared to be a lien against the properties upon which the assessment is levied within the Assessment Area from and after August 27, 2024, the date on which the Assessment Ordinance became effective. Said lien shall be superior to the lien of any trust deed, mortgage, mechanic's or materialman's lien, or other encumbrance, and shall be equal to and on a parity with the lien for general property taxes. Said lien shall apply without interruption, change in priority, or alteration in any manner to any reduced obligations and shall continue until the assessment and any interest, penalties, and costs thereon are paid, notwithstanding any sale of the property for or on account of a delinquent general property tax, special tax, other assessment, or the issuance of a tax deed, an assignment of interest by the county, or a sheriff's certificate of sale or deed.

Section 4.9. <u>Deposit of Funds</u>. The Funds hereinabove referred to shall be kept separate and apart from each other and from any other funds of the Issuer and shall, from time to time as they are accumulated, be deposited in such bank or banks as are designated as depositories of public monies for funds of the Issuer under the depository laws of the State of Utah for the deposit of public funds.

Section 4.10. <u>Default in Payment of Assessments</u>. In the event a default occurs in the payment of any installment of principal or interest of the assessments levied pursuant to the Assessment Ordinance when due and after the Issuer has provided notice of such default and a thirty (30) day period to remedy the default as provided in the Assessment Ordinance, the Issuer shall, at its discretion, either (1) foreclose on the amount of the delinquent installment payment, or (2) exercise any other remedy available under the Act. The whole amount of the unpaid principal shall thereafter draw interest at the same rate or rates of interest as are applied to delinquent real property taxes for the year in which the assessment installment becomes delinquent. The Issuer covenants and agrees that it shall initiate tax sale pursuant to Section 11-42-502.1 or any applicable successor thereto, and related pertinent provisions of the Act, of all delinquent property in the manner provided for actions to foreclose mortgage liens or trust deeds. If at the sale, no person shall bid and pay the Issuer the amount due on the assessment plus interest and costs, the property shall be deemed sold to the Issuer for these amounts. The Issuer shall bid at the sale as necessary to insure that the property is sold for at least an amount equal to the amount due on the assessment plus interest and costs.

If any property is sold to the Issuer at final sale, the Issuer shall, for so long as it retains ownership of the property so sold, pay all annual assessment installments that become due, including interest thereon. The payments shall be made out of the Reserve

Fund and paid into the Special Assessment Fund. In the event there are insufficient moneys in the Reserve Fund, the Issuer shall either issue warrants against the Reserve Fund drawing interest at the rate or rates determined by the Council acting as the governing body of the Issuer or fund the Reserve Fund as provided in Section 4.5 hereof to meet any financial liabilities accruing against it. Should the Council issue interim warrants against the Reserve Fund, it shall, at the time of making its next annual tax levy, provide for the levy of a sum sufficient, with other resources of said Fund, to pay warrants so issued and outstanding, the tax for which may not exceed .0002 per dollar of taxable value of taxable property within the Issuer in any one year.

If the Issuer sells the property it has purchased at a summary sale, the purchase price paid for it shall not be less than an amount sufficient to reimburse the Reserve Fund for all amounts paid out of said Fund with respect to said property for delinquent assessments or parts or installments of them, plus interest, penalties and costs. The sales price of the property and any interest on it paid in installments shall first be paid into the Reserve Fund to the extent of the full reimbursement requirement, and the remaining funds will be paid into the Special Assessment Fund.

The remedies provided in this section for the collection of assessments and the enforcement of liens shall be deemed and construed to be cumulative and the use of any one method or means of collection or enforcement shall not deprive the Issuer of the use of any other method or means. The proceeds from the sale of any property sold will be placed in the Special Assessment Fund as required herein and by the Act.

Section 4.11. Limited Obligation of Issuer. Notwithstanding anything contained elsewhere herein to the contrary, the Bonds are not a general obligation of the Issuer, but are payable exclusively out of the Special Assessment Fund and Reserve Fund. The Issuer shall not be liable for the payment of the Bonds, except to the extent of the funds created and received from the special assessments and from the Reserve Fund, but the Issuer shall be held responsible for the lawful levy of all assessments, for the creation and maintenance of the Reserve Fund as provided herein, and for the faithful accounting, collection, settlement, and payment of the assessments and for the moneys of said Fund.

ARTICLE V

MISCELLANEOUS

Section 5.1. Ratification. All proceedings, resolutions and actions of the Issuer and its officers taken in connection with the sale and issuance of the Bonds are hereby ratified, confirmed and approved.

Section 5.2. Severability. It is hereby declared that all parts of this Bond Resolution are severable, and if any section, paragraph, clause or provision of this Bond Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect the remaining provisions of this Bond Resolution.

Section 5.3. Conflict. All resolutions, orders and regulations or parts thereof heretofore adopted or passed which are in conflict with any of the provisions of this Bond Resolution are, to the extent of such conflict, hereby repealed.

Section 5.4. Bond Purchase Agreement Approved. The sale of the Bonds pursuant to the Act to the Drinking Water Board is hereby approved.

Section 5.5. Captions. The table of contents or headings herein are for convenience of reference only and in no way define, limit or describe the scope or intent of any provisions or sections of this Bond Resolution.

Section 5.6. Certification of Fulfillment of Conditions. The Council hereby finds and certifies that all conditions precedent to the issuance of the Bonds have been satisfied and fulfilled.

Section 5.7. Effective Date. This Bond Resolution shall take effect immediately.

ADOPTED AND APPROVED by the below signed officers of the Issuer this October 22, 2024.

____
Clayton Calloway, Mayor

ATTEST:

____________________________________ (SEAL)
Nancy Leigh, Town Clerk

EXHIBIT "B"
[FORM OF STATE BOND]

REGISTERED REGISTERED

UNITED STATES OF AMERICA
STATE OF UTAH
UINTAH COUNTY
TOWN OF BRIAN HEAD
TAXABLE SPECIAL ASSESSMENT BOND
SERIES 2024
(SPECIAL IMPROVEMENT ASSESSMENT AREA No. 2023-1 (Snowshoe-Toboggan)

$604,060

Town of Brian Head, Utah (the "Issuer"), a separate body politic and municipal public corporation of the State of Utah, acknowledges itself indebted and for value received hereby promises to pay, but solely in the manner and from the revenues and sources hereinafter provided, to the State of Utah acting through the Department of Environmental Quality, Drinking Water Board or the registered owner or registered assigns last listed on the registration certificate attached hereto, the principal amount of $604,060 bearing no interest. the Issuer shall make the principal payments stated for each year, together with accrued but unpaid interest, if any, on the total principal sum outstanding, beginning October 1, 2023, and continuing on each October 1 thereafter until the total principal sum shall be paid in full, as follows:

REPAYMENT SCHEDULE

October 1	Principal Maturing
2025	$60,406
2026	60,406
2027	60,406
2028	60,406
2029	60,406
2030	60,406
2031	60,406
2032	60,406
2033	60,406
2034	60,406

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or by redemption, shall be payable upon surrender of this Bond at the offices of the Paying Agent, or of any successor Paying Agent. Payments of interest shall be made to the Registered Owner thereof and shall be paid by check or draft mailed to the Registered Owner thereof at his address as it appears on the registration books of the Issuer maintained by the Registrar, or at such other address as is furnished to the Registrar in writing by such Registered Owner.

As long as the State of Utah acting through the Department of Environmental Quality, Drinking Water Board (the "DWB") is the registered holder of this Bond, installment payments shall be made by check or draft mailed to the DWB as the registered holder at the address shown on the registration books maintained by the Registrar.

If any installment payment of Bond principal and/or interest is not paid when due and payable, the Issuer shall pay interest on the principal and delinquent interest, if any, at the rate or rates of the Bonds from said due date until paid. All payments shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America. All payments shall be applied first to interest, if any, and then to principal.

This Bond is issued pursuant to (i) the Bond Resolution adopted by the governing body of the Issuer on October 22, 2024 (the "Bond Resolution"), and (ii) the Assessment Ordinance of the Issuer adopted on August 27, 2024, and (3) the Special Assessment Area Act, Title 11, Chapter 42, Utah Code Annotated, 1953, as amended, for the purpose of (a) the acquisition and construction of improvements in Assessment Area (as defined in the Bond Resolution), and related improvements to complete the improvements in a proper and workmanlike manner (the "Improvements"), and (b) the payment of issuance expenses incurred in connection with the issuance of the Bonds.

The issuance of this Bond shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of general taxation therefore or to make any appropriation for its payment.

This Bond is subject to prepayment and redemption at any time, in whole or in part (if in part, in integral multiples of $1,000), at the election of the Issuer and by lot selected by the Issuer if less than all Bonds of a particular due date are to be redeemed, upon notice given as hereinafter set forth, at a redemption price equal to the principal amount to be so prepaid.

Notice of redemption shall be mailed by the Issuer, postage prepaid, not less than thirty (30) days prior to the date fixed for prepayment, to the registered owner of this Bond addressed to such owner at its address appearing on the registration books maintained by the Issuer.

Subject to the provisions of the Bond Resolution, the Bonds are issuable in fully registered form, without coupons, in denomination equal to the principal amount of the bonds or, upon exchange, in the denomination of $1,000 and any integral multiple thereof.

Payment of this Bond and the interest thereon shall be made from, and as security for such payment there is pledged the Special Assessment Fund of Town of Brian Head, Utah Special Assessment Area Nos. 2023-1 (Snowshoe-Toboggan), 2021-03 (the "Assessment Area"), containing the receipts derived by the Issuer from the special assessments levied upon the property included in the Assessment Area by the Assessment Ordinance, as amended, adopted by the Issuer, which ordinance became effective on August 27, 2024, for the purpose of paying the costs of constructing the Improvements under, by virtue of, and in full conformity with the Constitution and laws of the State of

Utah and certain ordinances and resolutions of the Issuer duly passed and made law thereof prior to the issuance hereof.

It is hereby certified that a Reserve Fund has been created by ordinance as authorized by Utah statutes, and the Issuer agrees that at all times during the life of this Bond and until payment thereof in full, said Fund shall be at all times maintained as therein required. This Bond is not a general obligation of the Issuer but is payable exclusively out of said Special Assessment Fund and said Reserve Fund. The Issuer shall not be held liable for the payment of this Bond, except to the extent of the funds created and received from said special assessments and to the extent of its Reserve Fund; but the Issuer shall be held responsible for the lawful levy of all special assessments, for the creation and maintenance of the Reserve Fund as provided by law, and for faithful accounting, collection, settlement, and payment of the assessments and for the monies of said Fund.

The special assessments made and levied to defray the cost of Improvements, with accruing interest thereon, and the cost of collection of the assessments constitute a lien upon and against the property upon which such assessments were made and levied from and after August 27, 2024, the date upon which the ordinance levying such assessments became effective, which lien is superior to the lien of any trust deed, mortgage, mechanic's or materialman's lien, or other encumbrance. Said lien is equal to and on a parity with the lien for general property taxes and shall continue until the assessments and interest thereon are paid, notwithstanding any sale of the property for or on account of a delinquent general property tax, special tax, other assessment, or the issuance of a tax deed, an assignment of interest by the county, or a sheriff's certificate of sale or deed.

This Bond is transferable, as provided in the Bond Resolution, only upon the books of the Issuer kept for that purpose at the principal corporate trust office of the Bond Registrar, by the Registered Owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the Registered Owner or such duly authorized attorney, and thereupon the Issuer shall issue in the name of the transferee a new registered Bond or Bonds of authorized denominations of the same aggregate principal amount, series, designation, maturity and interest rate as the surrendered Bond, all as provided in the Bond Resolution and upon the payment of the charges therein prescribed. No transfer of this Bond shall be effective until entered on the registration books kept by the Bond Registrar. The Issuer, the Bond Registrar and the Paying Agent may treat and consider the person in whose name this Bond is registered on the registration books kept by the Bond Registrar as the holder and absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever, and neither the Issuer, nor the Bond Registrar nor the Paying Agent shall be affected by any notice to the contrary.

Except as otherwise provided herein and unless the context clearly indicates otherwise, words and phrases used herein shall have the same meanings as such words and phrases in the Bond Resolution.

This Bond and the issue of which it is a part are issued in conformity with and after full compliance with the Constitution of the State of Utah and pursuant to the provisions of the Act and all other laws applicable thereto. It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Utah and by the Act and the Bond Resolution to exist, to have happened or to have been performed precedent to or in connection with the issuance of this Bond exist, have happened and have been performed and that the issue of Bonds, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by said Constitution and statutes, and that the aggregate amount of special assessment bonds of the Issuer for the Assessment Area, including this Bond, does not exceed the amount authorized by law nor the special assessment levied to cover the cost of the Improvements in the Assessment Area, and that all said special assessments have been lawfully levied.

To the extent and in the respect permitted by the Bond Resolution, the Bond Resolution may be modified or amended by action on behalf of the Issuer taken in the manner and subject to the conditions and exceptions prescribed in the Bond Resolution. The holder or owner of this Bond shall have no right to enforce the provisions of the Bond Resolution or to institute action to enforce the pledge or covenants made therein or to take any action with respect to an event of default under the Bond Resolution or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Bond Resolution.

This Bond shall be registered in the name of the initial purchaser and any subsequent purchasers in an appropriate book in the office of the Finance Director of the Issuer, who shall be the Registrar. This Bond is transferable only by notation upon said book by the registered owner hereof in person or by his attorney duly authorized in writing, by the surrender of this Bond, together with a written instrument of transfer satisfactory to the Issuer, duly executed by the registered owner or his attorney duly authorized in writing; thereupon, this Bond shall be delivered to and registered in the name of the transferee.

IN TESTIMONY WHEREOF, the Issuer has caused this Bond to be signed by its Mayor and countersigned by its Town Clerk under the corporate seal of said Issuer this November 6, 2024.

By /s/ (Do Not Sign)
Clayton Calloway, Mayor

Countersigned:

/s/ (Do Not Sign)
Nancy Leigh, Town Clerk

(S E A L)

REGISTRATION CERTIFICATE

(No writing to be placed herein except by
the Bond Registrar)

Date of Registration	Name of Registered Owner	Signature of Bond Registrar

CERTIFICATE OF DATES OF PAYMENT AND AMOUNT

The undersigned authorized representative of the State of Utah Department of Environmental Quality, Drinking Water Board (the "Drinking Water Board"), hereby certifies that the Drinking Water Board has received written authorization from the Town Clerk of the Issuer to stamp or write the amount(s) indicated below on the date(s) set forth opposite such amount(s); that the amount last inserted under the column "Total Principal Sum" is the total amount received by the Issuer from the issuance of this Bond, and that the undersigned has placed his/her signature in the space provided opposite such amount(s) to evidence the same.

Amount of Payment	Date of Payment	Principal Forgiveness Amount	Repayable Principal Amount	Total Principal Sum	Drinking Water Board Representative Signature
$	______, 20__	$	$	$	__________________
$_________	_________	$________	$_________ _	$_________	__________________
$_________	_________	$________	$_________ _	$_________	__________________
$_________	_________	$________	$_________ _	$_________	__________________
$_________	_________	$________	$_________ _	$_________	__________________
$_________	_________	$________	$_________ _	$_________	__________________

UNITED STATES OF AMERICA
STATE OF UTAH
UINTAH COUNTY
TOWN OF BRIAN HEAD
TAXABLE SPECIAL ASSESSMENT BOND
SERIES 2024
(SPECIAL IMPROVEMENT ASSESSMENT AREA No. 2023-1 (Snowshoe-Toboggan)

INTEREST RATE	MATURITY DATE	ISSUE DATE
0%	October 1, 20__	

Registered Owner: ____

Principal Amount: ____Dollars

The Town of Brian Head, Utah (the "Issuer"), a political subdivision and body politic of the State of Utah, acknowledges itself indebted and for value received hereby promises to pay, but solely in the manner and from the revenues and sources hereinafter provided, to the Registered Owner identified above, or registered assigns, on the Maturity Date specified above, bearing no interest. Principal and redemption price of this Bond shall be payable upon presentation of this Bond to the Paying Agent, or its successor as such paying agent, for payment at maturity.

If this Bond is not paid when due and payable, the Issuer shall pay interest on the unpaid amount at the rate of eighteen percent (18%) per annum from the due date thereof until paid in full.

This Bond is one of an authorized issue of bonds of like date, term and effect except as to maturity, in the aggregate principal amount of ___________________________________ Dollars ($__________), issued in exchange for the conversion of the Issuer's Taxable Special Assessment Bond, Series 2024, in the total repayable principal sum of $604,060, authorized by a Bond Resolution of the Issuer duly adopted on October 22, 2024 (the "Final Bond Resolution") and an Assessment Ordinance of the Issuer adopted on August 27, 2024. This Bond and the issue of Bonds of which it is a part is issued pursuant to (i) the Final Bond Resolution, (ii) the Assessment Ordinance, and (iii)) the Special Assessment Area Act, Title 11, Chapter 42, Utah Code Annotated, 1953, as amended, for the purpose of (a) the acquisition and construction of improvements in Assessment Area (as defined in the Bond Resolution), and related improvements to complete the improvements in a proper and workmanlike manner (the "Improvements"), and (b) the payment of issuance expenses incurred in connection with the issuance of the Bonds.

The issuance of this Bond shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of general taxation therefore or to make any appropriation for its payment.

This Bond is subject to prepayment and redemption at any time, in whole or in part (if in part, in integral multiples of $1,000), at the election of the Issuer and by lot selected by the Issuer if less than all Bonds of a particular due date are to be redeemed, upon notice given as hereinafter set forth, at a redemption price equal to the principal amount to be so prepaid.

Notice of redemption shall be mailed by the Issuer, postage prepaid, not less than thirty (30) days prior to the date fixed for prepayment, to the registered owner of this Bond addressed to such owner at its address appearing on the registration books maintained by the Issuer.

Subject to the provisions of the Bond Resolution, the Bonds are issuable in fully registered form, without coupons, in denomination equal to the principal amount of the bonds or, upon exchange, in the denomination of $1,000 and any integral multiple thereof.

Payment of this Bond and the interest thereon shall be made from, and as security for such payment there is pledged the Special Assessment Fund of Town of Brian Head, Utah Special Assessment Area Nos. 2023-1 (Snowshoe-Toboggan), 2023-1 (the "Assessment Area"), containing the receipts derived by the Issuer from the special assessments levied upon the property included in the Assessment Area by the Assessment Ordinance, as amended, adopted by the Issuer, which ordinance became effective on August 27, 2024, for the purpose of paying the costs of constructing the Improvements under, by virtue of, and in full conformity with the Constitution and laws of the State of Utah and certain ordinances and resolutions of the Issuer duly passed and made law thereof prior to the issuance hereof.

It is hereby certified that a Reserve Fund has been created by ordinance as authorized by Utah statutes, and the Issuer agrees that at all times during the life of this Bond and until payment thereof in full, said Fund shall be at all times maintained as therein required. This Bond is not a general obligation of the Issuer but is payable exclusively out of said Special Assessment Fund and said Reserve Fund. The Issuer shall not be held liable for the payment of this Bond, except to the extent of the funds created and received from said special assessments and to the extent of its Reserve Fund; but the Issuer shall be held responsible for the lawful levy of all special assessments, for the creation and maintenance of the Reserve Fund as provided by law, and for faithful accounting, collection, settlement, and payment of the assessments and for the monies of said Fund.

The special assessments made and levied to defray the cost of Improvements, with accruing interest thereon, and the cost of collection of the assessments constitute a lien upon and against the property upon which such assessments were made and levied from and after August 27, 2024, the date upon which the ordinance levying such assessments became effective, which lien is superior to the lien of any trust deed, mortgage, mechanic's or materialman's lien, or other encumbrance. Said lien is equal to and on a parity with the lien for general property taxes and shall continue until the assessments and interest thereon are paid, notwithstanding any sale of the property for or on account of a delinquent general property tax, special tax, other assessment, or the issuance of a tax deed, an assignment of interest by the county, or a sheriff's certificate of sale or deed.

This Bond is transferable, as provided in the Bond Resolution, only upon the books of the Issuer kept for that purpose at the principal corporate trust office of the Bond Registrar, by the Registered Owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the Registered Owner or such duly authorized attorney, and thereupon the Issuer shall issue in the name of the transferee a new registered Bond or Bonds of authorized denominations of the same aggregate principal amount, series, designation, maturity and interest rate as the surrendered Bond, all as provided in the Bond Resolution and upon the payment of the charges therein prescribed. No transfer of this Bond shall be effective until entered on the registration books kept by the Bond Registrar. The Issuer, the Bond Registrar and the Paying Agent may treat and consider the person in whose name this Bond is registered on the registration books kept by the Bond Registrar as the holder and absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever, and neither the Issuer, nor the Bond Registrar nor the Paying Agent shall be affected by any notice to the contrary.

Except as otherwise provided herein and unless the context clearly indicates otherwise, words and phrases used herein shall have the same meanings as such words and phrases in the Bond Resolution.

This Bond and the issue of which it is a part are issued in conformity with and after full compliance with the Constitution of the State of Utah and pursuant to the provisions of the Act and all other laws applicable thereto. It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Utah and by the Act and the Bond Resolution to exist, to have happened or to have been performed precedent to or in connection with the issuance of this Bond exist, have happened and have been performed and that the issue of Bonds, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by said Constitution and statutes, and that the aggregate amount of special assessment bonds of the Issuer for the Assessment Area, including this Bond, does not exceed the amount authorized by law nor the special assessment levied to cover the cost of the Improvements in the Assessment Area, and that all said special assessments have been lawfully levied.

To the extent and in the respect permitted by the Bond Resolution, the Bond Resolution may be modified or amended by action on behalf of the Issuer taken in the manner and subject to the conditions and exceptions prescribed in the Bond Resolution. The holder or owner of this Bond shall have no right to enforce the provisions of the Bond Resolution or to institute action to enforce the pledge or covenants made therein or to take any action with respect to an event of default under the Bond Resolution or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Bond Resolution.

This Bond shall be registered in the name of the initial purchaser and any subsequent purchasers in an appropriate book in the office of the Finance Director of the Issuer, who shall be the Registrar. This Bond is transferable only by notation upon said book by the registered owner hereof in person or by his attorney duly authorized in writing, by the surrender of this Bond, together with a written instrument of transfer satisfactory to the Issuer, duly executed by the registered owner or his attorney duly authorized in writing; thereupon, this Bond shall be delivered to and registered in the name of the transferee.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by its Mayor and countersigned by its Town Clerk with the seal of said Issuer affixed, all as of __________, 20__.

By /s/ (Do Not Sign)
Clayton Calloway, Mayor

COUNTERSIGNED:

/s/ (Do Not Sign)
Nancy Leigh, Town Clerk

(S E A L)

ASSIGNMENT

FOR VALUE RECEIVED, ___________________________________, the undersigned, hereby sells, assigns and transfers unto

____
____ (Tax Identification or Social Security No. ________________) the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _______________________ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: ________________________

____

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

____

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO SEC RULE 17Ad-15.

STAFF REPORT TO THE TOWN COUNCIL

BRIAN HEAD

ITEM: 50TH ANNIVERSARY UPDATE

AUTHOR: Nancy Leigh, Town Clerk
DEPARTMENT: Administration
DATE: October 22, 2024
TYPE OF ITEM: Informational

SUMMARY:

Staff will give an update on the 50th Anniversary events that will be taking place beginning March 2025 through July 2025.

BACKGROUND:

On March 12, 1975, Brian Head Town was incorporated and since that time Brian Head Town has grown not only in residents, but also grown geographically with annexations that have taken place over the last 24 years.

The History Committee was originally organized in 2021 to create an event for the Town's 50th anniversary and have identified several projects that relate to the history of Brian Head Town, but also events for the upcoming 50th Anniversary event.

ANALYSIS:

We are now in the final months of bringing our vision to life with the Town's 50th Anniversary and Brian Head Resort's 60th Anniversary events that will be taking place in two separate venues:

1. March 12th events include wintertime activities for both the enthusiast and family alike. This venue will include events that span over a four-day period (Wednesday through Saturday – March 12-16, 2025).
2. July 24th events will include summertime activities for everyone to participate in. We focused on this holiday since it wasn't a significant visitor holiday for Brian Head and we're hoping to change that.

Before we jump into the events for each day, here are some of the items we are looking to have either for the entire year of 2025 or during the events:

1. Entryway signs: A smaller 50th Anniversary sign to be posted to the permanent sign for the entire year.
2. Banners throughout the town for the 50th Anniversary.
3. A 50th Anniversary lit piece in the Bearflat meadow area.
4. Merch to be sold to the public (shirts/water bottles/key chains / etc.
5. T-shirts for the History Committee, Council, Staff and volunteers.
6. T-shirts for the long-term residents/citizens.
7. Commemorative token for the long-term residents/citizens to be handed out during the luncheon.
8. Reduced ski passes for the week of March 12th.
9. Historical Display at the Town Hall – this will remain as a permanent piece in the council chambers.
10. The Town's website will have a page dedicated to the 50th anniversary events

With that being said, here is the list of events/activities that are scheduled to take place for both venues, please note that anything can change as you may well know:

MARCH 12 – 16, 2025 50TH ANNIVERSARY CELEBRATION EVENTS:

Wednesday, March 12, 2025 – Brian Head Town's actual day of incorporation:

1. A Brian Head historical display will be available to the public at the Public Safety Building from Wednesday through Saturday.
2. A luncheon for our long-time residents and citizens will take place at the Public Safety Building. A luncheon will be catered, and we plan to give our long-term citizens a token for their time and their efforts spent in Brian Head along with a t-shirt commemorating the 50th anniversary.
3. During the luncheon, a speech from our Mayor, Clayton Calloway, will take place along with speeches from other long-time residents.
4. A band at Brian Head Resort later in the afternoon/evening hours.
5. A firework display will be held to commemorate our 50th anniversary around dusk area at Bristlecone Pond area.

Thursday, March 13, 2025, events:

1. Cross-country ski tour with a guide through Cedar Breaks Monument to recount the history of not only Brian Head, but the area as well.
2. Snowmobile tours with Thunder Mountain Motorsports will be available to the public at a discounted price.
3. A snow sculping contest will begin on Thursday and run until Saturday with the judging complete on Saturday with the winners announced and prizes given for the sculptures.
4. Band at Giant Steps Lodge area to top off the day's events which will begin in the early evening.

Friday, March 14, 2025, Events:

1. Minnies Manson snow shovel race at Brian Head Resort. This was an event that was held annually in the 1970's during Minnie Manson Days but disappeared over the decades.
2. Snowshoe tour with Cedar Breaks National Monument.
3. A Brian the Bear event that will be held where kids/adults will try and find the "golden bear rock" for prizes.
4. Currently working with the Resort on brining back the Georg Hartlmaier's Classic Ski Event. This is a tentative event at this time.
5. Band at the Resort in the evening hours.

Saturday, March 15, 2025, Events:

1. Skijoring event in the Bearflat meadow area and there is a possibility that Red Bull will be sponsoring this event. We will be looking at moving the snowmobile trail to the west of the existing trail for the 2024-2025 winter, until March 16, 2025. We will be working with the Resort and Thunder Mountain Motorsports on the skijoring area to support the horses running. We are also looking at identifying 10'x20' and 10'x10' areas to sell along the west side of Village Way beginning after the ice-skating rink area to the Bearflat well pump house. We will also look at closing off the pedestrian trail and a portion of the snowmobile trail during the event. The company that is providing skijoring will bring horses and insurance for the event. We will look at identifying the Bearflat pump house location, the

Town's vacant property behind the Town Hall and possible overflow on Burt's Road. We are currently working out the details for this event.
2. Band at Brian Head Resort for the evening's entertainment and a final thank you speech from our mayor.

For the July 24th weekend events, we have identified the following:

Thursday, July 24, 2025 Events:
1. Fishing derby will have a 50th Anniversary golden tag on a few fish.
2. Arbor Day 2025 with the planting of 50 trees. Participants in this will receive a spade with the 50th anniversary logo along with a T-shirt.
3. Food and Craft Festival held down Village Way that will include vendors, bounce houses, etc.
4. Pioneer 5K Run.
5. Drive-in Movie at the Resort – Warren Miller's film: Winter's Fever that was filmed in Brian Head.

Friday, July 25, 2025 Events:
1. Fishing derby continues.
2. Food & Craft Festival continues
3. Tails of the Trail with Brian the Bear: A hike on Manzanita or Aspen Meadow Loop Trails. We are still in the process of determining which trail at this time.
4. OHV ride.
5. Cowboy Poetry at Bristlecone Park with smore and hot chocolate.

Saturday, July 26, 2025, Events:
1. Fishing derby wraps up with winners announced.
2. Food and Craft Festival wraps up.
3. Dutch's swing dedication at Bristlecone Park.
4. Either a car show or extreme mountain bike race at the resort – still working this one out.
5. Two to three bands play during the afternoon area.
6. Mayor speech – thank you.
7. Fireworks at Bristlecone Pond to close out the celebration events.

FINANCIAL IMPLICATIONS:
There is $31,000 in the town budget that will go towards the purchase of materials and events. It will come out of the General Fund.

BOARD/COMMISSION RECOMMENDATION:
N/A.

STAFF RECOMMENDATION:
This is an informational item, and staff are always open to input from the Council.

PROPOSED MOTION:
N/A – Information item only

STAFF REPORT TO THE TOWN COUNCIL

BRIAN HEAD

ITEM: SAA POLICY DISCUSSION & IMPACT FEE WAIVER

AUTHOR: Bret Howser
DEPARTMENT: Administration

DATE: October 22, 2024
TYPE OF ITEM: Legislative Action

SUMMARY:

Council will consider a resolution updating the Special Assessment Area & Public Improvement District Policy.

BACKGROUND:
In 2009, the Town annexed a few neighborhoods (chiefly Cedar Breaks Mountain Estates and Ski Haven Chalets) which were subdivided and developed in Iron County preceding decades. That annex area did not have water and sewer utilities. It is unclear to current staff what the Town's plan was to complete those utilities once those neighborhoods were annexed into Town, but it might be assumed that the intent was to complete them via Special Assessment Areas (SAAs). However, following the 2017 Brian Head Fire, it became clear that not having water infrastructure in the annex area represented a significant risk to the rest of the Town. In 2020, the Town completed a water line project on Mountain View Drive in Cedar Breaks Mountain Estates with the intent of putting water within reach of the neighborhoods and spurring SAAs to extend water lines through the rest of the neighborhood. In 2021, the Southwest Utah Department of Health began enforcing a policy in the annex area requiring that those wishing to develop their property using a sceptic tank be on the Town's water system. In 2024-25, the Town is installing a spine water line in Ski Haven Chalets.

All of these conditions have led to an influx of SAA petitions in the annexed areas. In 2022, the Council updated the SAA Policy, which is attached. The policy states the Town's interest in establishing SAAs: "SAA projects upgrade the community through the elimination of drainage problems, pedestrian safety concerns, year-round access, fire protection and unsightly conditions in the public way." The policy sets a maximum SAA debt that the Town will carry at $5 million. With all of the existing SAAs and the accepted/pending petitions, the Town is quickly approaching that limit. The Council recently requested to revisit the policy and held a discussion on 9-24-24 in which direction was given to staff to bring back a revision to the policy.

ANALYSIS:
The attached revised Special Assessment Area & Public Improvement District Policy has been updated to require a 60% or greater threshold for SAA petition signatures before it can be considered by the Town Council. This change was requested by the Town Council in September.

There were some issues with the revised policy that was presented to the Council on Oct 8. When the Council adopted the policy in 2022, there were several modifications to the policy included in the motion. Following adoption, two versions of the policy were created to reflect the changes in the motion, which led to the confusion in the Oct 8, 2024 redlined version that was presented to Council.

Staff has now carefully reviewed the minutes from Aug 2022, and **the policy draft presented with this staff report shows the changes that reflect Council's motion from 2022 in blue, and the changes that are currently being proposed in red.** We apologize for the confusion.

FINANCIAL IMPLICATIONS:

In theory, a greater threshold of signatures means fewer SAA petitions make it to Council, and the ones that do have greater support, which would mean the Town would take on slightly less risk in proceeding with those SAAs.

BOARD/COMMISSION RECOMMENDATION:

N/A

STAFF RECOMMENDATION:

Staff supports the change proposed by the Town Council.

PROPOSED MOTION:

I move to adopt resolution No. 24-552 revising the Brian Head Town Special Assessment Area and Public Improvement District Policy

ATTACHMENTS:

A – SAA Policy (Updated)

RESOLUTION NO. 24-___

A RESOLUTION AMENDING THE SPECIAL ASSESSMENT AREA POLICY FOR THE TOWN OF BRIAN HEAD AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, The Town Council originally adopted Resolution No. 391 in June 2009 establishing the Special Assessment Area Policy for Brian Head Town which subscribed to the concept that "development pays for its own way" and requires that all new development within Brian Head Town provide complete infrastructure at the developer's expense; and;

WHEREAS, The Council revised the Special Assessment Area Policy in 2022 when numerous Special Assessment Area requests were submitted and the Council determined that additional requirements would need to be adhered to and therefore adopted Resolution No. 22-523 revising the Special Assessment Area Policy, and;

WHEREAS, the Town Council recognizes the need to amend the 2022 SAA policy to increase the requirement for the minimum percentage of required signatures for a petition to be submitted for consideration, and;

WHEREAS, the Town Council recognizes the benefit of public way improvements and supports the Special Service Area process for assisting property owners in completing such improvements within the Town.

NOW, THEREFORE BE IT RESOLVED by the Brian Head Town Council, that this Resolution hereby amends the 22022 Special Assessment Area (SAA) Policy for Brian Head Town as Attachment "A" "SPECIAL ASSESSMENT AREAS".

Section 1. ADOPTION: The Brian Head Town Special Assessment Area Policy (attachment A) is hereby adopted by reference as the SAA policy for Brian Head Town; and

Section 2. EFFECTIVE DATE. This Resolution shall take effect upon its passage by a majority vote of the Brian Head Town Council.

Section 3. SEVERABILITY CLAUSE. If any section, subsection, sentence, clause, phrase, or portion of this resolution is for any reason, held invalid or unconstitutional by any court or competent jurisdiction, such portions shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions of this Resolution.

Section 4. REPEALER, any prior resolutions and/or policy which identifies Special Assessment Area for Brian Head Town are hereby repealed.

ADOPTED, APPROVED, and ORDERED by majority vote at a duly called meeting of the Town Council of Brian Head, Utah this _____ day of October 2024.

Town Council Vote:

Mayor Clayton Calloway	Yes____	No____
Council Member Lynn Mulder	Yes____	No____
Council Member Larry Freeberg	Yes____	No____
Council Member Kelly Marshall	Yes____	No____
Council Member Mitch Ricks	Yes____	No____

BRIAN HEAD TOWN

____
Clayton Calloway, Mayor

ATTEST:

____
Nancy Leigh, Town Clerk

SEAL)

SPECIAL ASSESSMENT & PUBLIC IMPROVEMENT DISTRICT POLICY

Date Approved: August 9, 2022 (Updated October 9, 2024)

Brian Head Town (the "Town") will consider the use of Special Assessment Areas (SAA) and/or Public Improvement Districts (PID) as provided for by Utah Code Annotated §11-42 where consistent with the dictates of this ~~of this~~ policy. Notwithstanding the ensuing policy, the Town Council retains the privilege of denying or approving any SAA or PID for which the Town receives a petition, as allowed under State Statute, where the Council finds that approval would result in undue risk or damage to the Town as a whole.

General Benefit of Proposed Development

The Town recognizes that in assisting individual property owners (or a group of individual property owners) with infrastructure development through public financing, all property owners in the Town are asked to share in a small fraction of the risk that would otherwise be incumbent upon that individual (or group of individuals). Therefore, the Town will only consider public financing (such as SAA or PID bonds) for development projects that entail broad public benefit. Examples of such include, but are not limited to, roadways which improve traffic circulation, water lines which provide needed firefighting capacity to areas which pose a wildfire risk to the Town, and sewer lines in areas which will protect health and sanitation for the community's watersheds.

Petitions for SAAs or PIDs shall stipulate the proposed general community benefit entailed in the proposed development project which justifies the public assumption of risk. Exhibit A provides a map of fire protection priority areas as designated by the Town Marshal to assist the Town Council in determining the general public benefit of any proposed water lines. Proposed line extensions within these priority areas in excess of 1,000 linear feet, or which create looping/redundancy within the water delivery system, should be given consideration.

Petition Requirements

Property owners can petition the Town for the installation or reconstruction of public way improvements through a SAA or PID. Those signing the petition must be the owners of the properties adjacent to the requested public way improvements, not residents that are renting or leasing the property. Once the sponsor has acquired the required signatures ~~that meet the majority~~ of the property owners who are in favor of a SAA, the petition is to be submitted to the Town Clerk for verification of signatures and legal property owners. Apparent support of the project, as indicated by those signing the petition, must ~~represent greater than 50%~~ be at least 60% of the total properties/lots of the proposed public way improvements for the Town Council to accept a petition and consider the creation of a Special Assessment Area.

Timeline for SAA Creation

The following gives a rough outline of a typical SAA creation and project implementation timeline:

1) Petition is submitted to Town

BRIAN HEAD

   a) Signed by owners representing ~~50%~~ 60% of parcels
   b) Includes map, description of improvements, and list of parcel numbers
2) Staff review meeting
   a) Communicate any issues with petition to applicant
   b) Allow applicant to correct anything before going to Council
3) Council receives petition in open meeting, accepts or rejects by motion
4) Council considers resolution - Notice of Intent to Create SAA
   a) Determination whether to proceed with SAA based on general public benefit
   b) Resolution sets date for public hearing
   c) Advertise public hearing for four weeks
5) Public hearing held in open meeting, 60 day contest period begins
   a) Contest period can be bypassed if 100% of property owners sign a waiver and consent form
   b) If 40% or more of property owners protest the creation of the SAA during contest period, it fails
6) Staff obtains preliminary project cost estimate and property appraisals
7) Council may create SAA by resolution
8) Council creates Board of Equalization by resolution
   a) Sets BOE hearing dates (35 day notice)
   b) Use preliminary estimates plus large contingency or the maximum assessment
9) Town begins process of issuing bonds
10) Town proceeds with engineering and bidding for project
11) Town awards project bid and sets SAA assessment by ordinance
    a) Property owners have 25 days to prepay their assessments
12) Bonds are issued, project may proceed

The entire process to put an SAA into place is expected to take 6-8 months. As such, petitions must be received by the Town by June 30 of year 1 in order to proceed with the improvements in year 2. PID timelines have yet to be defined by the Town.

Assessments

Assessments will typically be distributed among property owners in a manner commensurate with the benefit received by each property. In the case of water or sewer line extension, for example, it is assumed that the benefit received by each lot is equal, regardless of size or valuation of the lot, so a flat assessment would be applied to each lot. Assessments will be included on the Iron County property tax bill and collected along with general property taxes. The Town ~~may require~~ requires that assessments be retired when a property is sold.

Financing Considerations

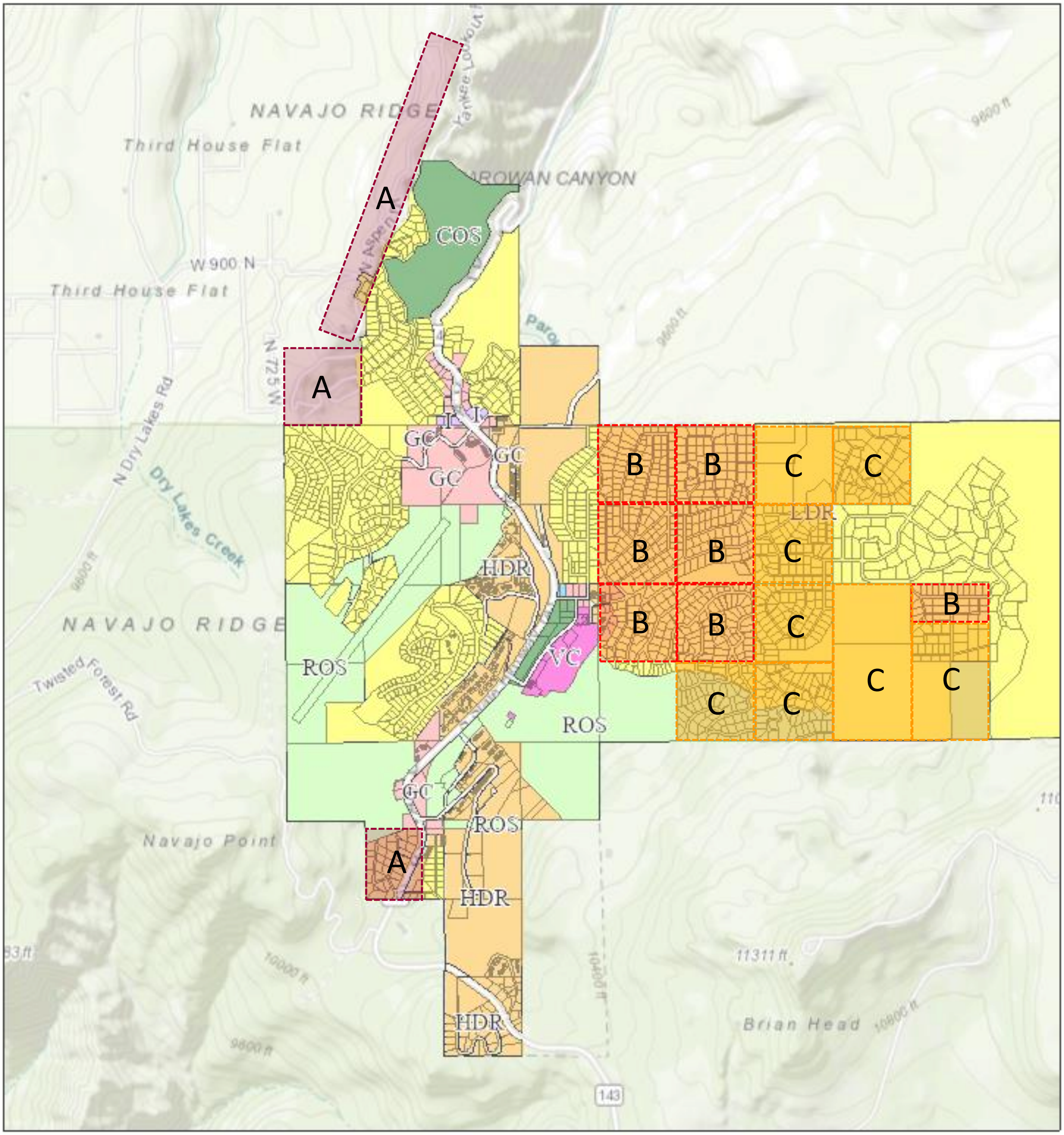
State Statute requires a 3:1 coverage ratio of property value to assessment for SAAs. ~~The Town prefers a 4:1 or 5:1 coverage ratio to mitigate the risk to the public of financing a SAA project. However, Council may choose to proceed with a 3:1 ratio, but only where there is significant public interest.~~ The Town may consider a 3:1 coverage ratio for proposed SAAs with a fire protection priority A, a 4:1 coverage ratio for proposed SAAs with a fire protection priority B, and a 5:1 coverage ratio for proposed SAAs with a fire protection priority C.

SAA bonds will not exceed a ten-year term or 7.5% true interest cost. Bonds will be structured with an annual call provision to allow property owners to retire the entire outstanding assessment at any time. Each bond issuance will have a 10% debt service reserve funded by the proceeds of the bonds. The Town will only consider backstopping SAA or PID bonds with sales tax revenue or other Town guarantee under extraordinary circumstances where significant public interest is involved.

At no time will the Town carry more than $5 million in outstanding SAA debt.

Exhibit A – Map of Priority Areas
Exhibit B – Special Assessment Area Frequently Asked Questions

Fire Protection Priority Areas



July 29, 2022

Priority Levels

A Critical for Fire Protection

B Potentially Substantial for Fire Protection

C Some Benefit for Fire Protection

These prioritizations assume the completion of all 2022 SAA water lines and the Toboggan water line in 2023

1:36,112

0 0.23 0.45 0.9 mi

0 0.38 0.75 1.5 km

Bureau of Land Management, Utah AGRC, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, METI/NASA, EPA, USDA

Brian Head Town

Special Assessment Areas - FAQ

What is a Special Assessment Area?

A Special Assessment Area (SAA) is an area legally defined through ordinance by the Town Council for the installation of public way improvements. Public way improvements may involve the installation of curb and gutter, sidewalks, and drive approaches where such improvements have not previously existed. Improvements may also include roadway and drainage improvements, accessibility ramp construction, and installation of culinary water and sanitary sewer systems. All SAA improvements must extend from existing similar Town owned and approved facilities. SAA projects upgrade the community through the elimination of drainage problems, pedestrian safety concerns, year-round access, fire protection and unsightly conditions in the public way.

What does it Cost?

Actual costs may vary based on specific construction needs and bids received from contractors when the Special Assessment Area is created. The sponsor of the SAA will work with the Town on preliminary engineering estimates for improvements.

At the completion of the project when actual costs are determined, a special tax assessment is placed on all abutting properties according to the proportional benefit received from the public way improvements. Property owners can pay the assessment in one lump sum or through equal annual installments. The installment plan for Water, Sewer and Street Extension SAA's are generally spread over ten years. Interest charges are accrued on the unpaid balance at a rate established by the Town Treasurer. This interest rate is set when the Town obtains a municipal bond for the project. Favorable interest rates have always been obtained because of the excellent bond rating held by Brian Head Town. Property owners who pay the entire assessment within fifteen days of the initial notification avoid any interest charges.

How do I get an SAA in my neighborhood?

Property owners can petition the Town for the installation or reconstruction of public way improvements through a Special Assessment Area. Those signing the petition must be the owners of the properties adjacent to the requested public way improvements, not residents that are renting or leasing the property. A petition form is provided at the end of this information sheet for your use in collecting signatures and determining support of the proposed project. Apparent support of the project, as indicated by those signing the petition, must represent greater than 50% of the total properties/lots of the proposed public way improvements for the Town Council to accept a petition and consider the creation of a Special Assessment Area.

Once the sponsor has acquired the required signatures that meet the majority of the property owners who are in favor of a SAA, the petition is to be submitted to the Town Clerk for verification of signatures and legal property owners. Once confirmed, the Town Clerk will present the petition to the Town Council for approval.

How long does it take?

SAA petitions are given immediate attention. The time frame from receipt of a petition to construction is approximately 18 months (or sooner), pending the availability of capital improvement funding. Activities that occur during this time frame include public meetings to address property owner concerns, defining the project scope, designing the project, preparing cost estimates, determining the availability of funding, and complying with all SAA bonding requirements.

Please contact the Town offices to obtain more information and/or assistance.
Phone: 435-677-2029

Petition on following page must be completed and signed by the legal owner of the property.

Special Assessment Area Petition

Public Way Improvements

PETITIONERS' SPOKESPERSON:

____**PHONE:** ________________________

MAILING ADDRESS: ____

PHYSICAL ADDRESS OF PROPERTY: SUBDIVISION:__________________________________

UNIT: ___________ **BLOCK:**___________ **LOT#**________________

LOCATION OF PROPOSED DISTRICT:

____
____
____
____
____
____

SPECIFIC IMPROVEMENTS REQUESTED:

- ☐ **Sidewalk**
- ☐ **Curb and Gutter**
- ☐ **Drive Approaches**
- ☐ **Total Street Reconstruction**
- ☐ **Water System**
- ☐ **Sewer System**
- ☐ **Gravel Road Construction**
- ☐ **Paved Road Construction**
- ☐ **Other:** ____

ADDITIONAL COMMENTS OR REQUESTS:

____
____
____
____
____

____

____

____

____

Special Assessment Area Petitioners

Signature: ______________________________ **Date:** __________

(Print Name: ____________________**)** **Phone:** __________

Mailing Address: ______________________________________

Subdivision: __________________ **Unit**______ **Block** ______**Lot**______

Signature: ______________________________ **Date:** __________

(Print Name: ____________________**)** **Phone:** __________

Mailing Address: ______________________________________

Subdivision: __________________ **Unit**______ **Block** ______**Lot**______

Signature: ______________________________ **Date:** __________

(Print Name: ____________________**)** **Phone:** __________

Mailing Address: ______________________________________

Subdivision: __________________ **Unit**______ **Block** ______**Lot**______

Signature: ______________________________ **Date:** __________

(Print Name: ____________________**)** **Phone:** __________

Mailing Address: ______________________________________

Subdivision: __________________ **Unit**______ **Block** ______**Lot**______

Signature: ______________________________ **Date:** __________

(Print Name: ____________________**)** **Phone:** __________

Mailing Address: ______________________________________

Subdivision: __________________ **Unit**______ **Block** ______**Lot**______

Signature: ______________________________ **Date:** __________

(Print Name: ____________________**)** **Phone:** __________

Mailing Address: ______________________________________

Subdivision: __________________ **Unit**______ **Block** ______**Lot**______