

PUBLIC HEARING AND CITY COUNCIL MEETING
Tuesday, February 17, 2009 7:00 p.m.
Public Safety Building
3925 W Cedar Hills Drive, Cedar Hills, Utah

This meeting may be held electronically via telephone to permit one or more of the council members to participate.

NOTICE is hereby given that the City Council of the City of Cedar Hills, Utah, will hold a Public Hearing in connection with their Regular City Council Meeting on Tuesday, February 17, 2009, beginning at 7:00 p.m.

COUNCIL MEETING

1. Call to Order, Invocation and Pledge
2. Public Comment: Time has been set aside for the public to express their ideas, concerns, and comments (Comments limited to 3 minutes per person with a total of 30 minutes for this item).

PUBLIC HEARINGS

3. Amendments to the City Code, Title 10, Check Cashing Businesses and Zoning Regulations
4. Amendments to the City Code, Title 10-5-27, Landscaping

CONSENT AGENDA

5. Minutes from the February 3, 2009, Regular City Council Meeting

SCHEDULED ITEMS

6. Review/Action on Cedar Hills Golf Course Items, Clubhouse and Clubhouse Contract
7. Review/Action on Board/Committee Appointments - Board of Adjustment
8. Review/Action on Ordinance Amending the City Code, Title 10, Check Cashing Businesses and Zoning Regulations
9. Review/Action to Reinstate the Approval of Lot 2 of the Cedar Hills Retail Subdivision - Phillips Edison
10. Review/Action on Interlocal Cooperation Agreement between the City of Cedar Hills and American Fork City Granting an Easement for a Pressurized Irrigation Line
11. Review/Action on Ordinance Amending the City Code, Title 10-5-27, Landscaping
12. Review/Action on Consideration of Resolution Authorizing Approximately \$900,000 Utility Revenue Bonds, Series 2009 for Irrigation Water System Improvements, Approving a Bond Purchase Agreement, Approving a Third Supplemental Indenture and All Other Documents Related to the Bonds and Related Matters
13. City Manager Report and Discussion

MAYOR AND COUNCIL REPORTS

14. Board and Committee Reports

EXECUTIVE SESSION

15. Motion to go into Executive Session, Pursuant to Utah State Code 52-4-5
* * * EXECUTIVE SESSION * * *
16. Motion to Adjourn Executive Session and Reconvene City Council Meeting

ADJOURNMENT

17. Adjourn

Posted this 12th day of February, 2009.

Kim E. Holindrake, City Recorder

- Supporting documentation for this agenda is posted on the City's Web Site at www.cedarhills.org.
- In accordance with the Americans with Disabilities Act, the City of Cedar Hills will make reasonable accommodations to participate in the meeting. Requests for assistance can be made by contacting the City Recorder at least 48 hours in advance of the meeting to be held.
- The order of agenda items may change to accommodate the needs of the City Council, the staff, and the public.



CITY OF CEDAR HILLS

TO:	Mayor and City Council
FROM:	Konrad Hildebrandt, City Manager
DATE:	2/17/2009

City Council Agenda Item

SUBJECT:	Golf Course Items and Clubhouse
APPLICANT PRESENTATION:	N/A
STAFF PRESENTATION:	Konrad Hildebrandt, City Manager
BACKGROUND AND FINDINGS:	
<p>The Golf Clubhouse Architect Contract has previously been submitted to the City Council. The City Council had various questions. Answers to these questions are included as follows from the architect:</p> <p>the cost of the plans was figured in early 2003. It was a percentage of the cost of construction, which was a lot lower then. If I use todays costs of \$ 1,700,000.00 the fee at 3 % would be \$ 51,000.00 divided in half would be \$ 25,500.00. I am using 2003 costs in the \$ 15,000.00 for reuse. This is a good deal for the city of Cedar Hills. I wanted to get a real competitive price when you approached us with the job. I did that. I don't think they want me to change.</p> <p>On the engineering costs: Electrical engineering, this is the direct costs from the engineer. We usually mark it up at 1.2 times cost. We did not. HVAC and Plumbing engineering, this is the direct cost from the engineer. We usually mark it up at 1.2 times cost. We did not. Civil engineering, this is the direct cost from the engineer. We did not mark it up. Structural engineering, we marked up this item because we have so much coordination to do with him, with all of the changes, it will be a lot of work and meetings for us to coordinate with him. Again, I think you are getting a great price. This is the climate we are in, so you benefit.</p>	
PREVIOUS LEGISLATIVE ACTION:	
No Action – 1st Review February 3, 2009	
FISCAL IMPACT:	
\$70,000+ for the architectural design and contract management of the clubhouse	
SUPPORTING DOCUMENTS:	
None	
RECOMMENDATION:	
Approve staff to consummate a contract with Ken Harris Architects.	
MOTION:	
To approve the contractual signing to Ken Harris Architects to complete the architectural design of the golf clubhouse.	



CITY OF CEDAR HILLS

TO: Mayor McGee, City Council, and Staff
FROM: Kim E. Holindrake, City Recorder
DATE: February 11, 2009

City Council Memorandum

SUBJECT: Board and Committee Appointments
APPLICANT PRESENTATION:
STAFF PRESENTATION: Mayor McGee

BOARD OF ADJUSTMENT

BACKGROUND AND FINDINGS:

The City received only one application for the Board of Adjustment vacancy. Mayor McGee contacted Matthew Graham. The term to be filled will end December 31, 2010.

SUPPORTING DOCUMENTS

- Application from Matthew Graham

RECOMMENDATION

Mayor McGee appoints Matthew Graham to the Board of Adjustment with a term ending December 31, 2010.

MOTION

To affirm Mayor McGee's appointment of Matthew Graham to the Board of Adjustment with a term ending December 31, 2010.



CITY OF CEDAR HILLS

RECEIVED
12-29-08

BOARD OF ADJUSTMENT APPLICATION

PLEASE PRINT

BIOGRAPHIC DATA

NAME (First) (Middle) (Last)		
MATTHEW STEPHEN GRAHAM		
ADDRESS	HOME PHONE	WORK PHONE
4018 VALDERRAMA	913-710-8518	N/A
E-MAIL ADDRESS	YEARS LIVED IN CEDAR HILLS	
MATT@BIZNICHE.COM	.5	

RESUMES MAY BE USED TO SUPPLEMENT THIS INFORMATION.

EDUCATIONAL BACKGROUND

Name	City	State	Major Course of Study	Circle Last Year Successfully Completed	Date Completed	Diploma or Degree
High School or Preparatory	PLEASANT GROVE	UT	N/A	1 2 3 ④	 	H.S. DIP.
College	UNIV. OF UTAH		COMPUTER SCI.	1 2 3 ④	05/2003	B.S.
College	UNIV of KANSAS		COMPUTER SCI.	1 ② 3 4	UNFINISH.	
Additional Education						

EMPLOYMENT HISTORY

Name of Employer	City	State	Position	Dates of Employment
HP	AMERICAN FORK	UT	SOFTWARE ENG.	9/07 - Pres
COLLABRA SPACE	ANNAPOLIS	MD	SOFTWARE DEV.	6/05 - 9/07
IBM Corp.	LENEXA	KS	SOFTWARE DEV.	6/03 - 6/05

ADDITIONAL SKILLS AND ACTIVITIES

List Extra-Curricular Activities or Honors in College.
Deans List 2003 / Marching Band 1999, 2000 / Owner of Successful Web Design Business
Please list additional skills, technical or professional knowledge that you feel would enhance this application.
I work as a professional-part time photographer. I am detail-oriented and have many years of Mathematics exp.
List any other licenses, certificates, publications or professional achievements that would support this application.

QUESTIONS

Why do you want to be a member of the Board of Adjustment?

I am very interested in city organization, zoning and how communities run. I grew up virtually in Cedar Hills (Wedgewood Dr) and watched this city from its infancy. I would like to be involved with the decisions on how to effectively use this city.

What do you consider is your strongest attribute you could bring to the Board of Adjustment?

I consider myself good with people. I can talk to them without feeling manipulated or pressured. I care about details and like to know the reasons behind decisions.

How many hours a month can you give to meetings, research and investigations?

10-20. I work 4-10 hour days and have 1 day off that could be used.

As a Board member you will address issues for neighbors, friends or relatives. Can you place commitment to the rule of law above personal relationships?

Yes. I think that laws should express the opinion of the majority, and should be followed as such. I believe in the proper process of changing these laws as well, also by majority vote.

Can you communicate views well? Can you be intimidated or can you express an opinion even though it may not be the view of each/any Board member?

Absolutely. I do not give up my opinions easily and can convey my points of view ~~and~~ calmly and concisely.

What do you feel is the biggest obstacle you will have in serving on the Board of Adjustment?

I lack previous city planning or city government involvement. But I am excited to learn.

Any comments you would like to make or additional information you would like to give?

I am happy to be finally settling down here in this part of Utah valley. I am anxious to be involved. Thank you for considering me.



CITY OF CEDAR HILLS

TO:	Mayor and City Council
FROM:	Konrad Hildebrandt, City Manager
DATE:	2/17/2009

City Council Agenda Item

SUBJECT:	Check Cashing Institutions Ordinance
APPLICANT PRESENTATION:	N/A
STAFF PRESENTATION:	Greg Robinson, Assistant to the City Manager, Planning
BACKGROUND AND FINDINGS:	
<p>As directed by Council, the Planning Commission and Staff have reviewed and developed an ordinance for the limitation of check cashing and similar type businesses. The recommended changes include adding to the Title 10 definitions, including check cashing businesses in the list of conditional uses in both Title 10 and in the design guidelines, and to add an additional section that iterates the distance and population restrictions for check cashing businesses. The anticipation of this ordinance is that it will limit to one the number of check cashing businesses in our city, with limitations of 1 20,000 residents and a one-mile straight-line distance between check cashing businesses.</p>	
PREVIOUS LEGISLATIVE ACTION:	
Jan. 29, 2009, Planning Commission – Recommendation for approval	
FISCAL IMPACT:	
N/A	
SUPPORTING DOCUMENTS:	
<p>Check Cashing Definition for City Code 10-2-1: Definitions City Code 10-4E-4: Regulations Governing Commercial Uses City Code 10-4E-3: Conditional Uses Design Guidelines Conditional Use List Surrounding Utah Cities that have similar ordinances.</p>	
RECOMMENDATION:	
Review the recommended ordinance for approval.	
MOTION:	
<p>To approve/not approve Ordinance Number _____ amending Title 10 of the City Code of the City of Cedar Hills, Utah, Zoning Regulations, amending the zoning regulations regarding Check Cashing Institutions in sections 10-2-1, 10-4E-3, and 10-4E-4 of the City of Cedar Hills.</p> <p>To approve/not approve changes to the Guidelines for the Design and Review of Planned Commercial Developments. By adding “Check Cashing” to the list of Conditional Uses in the commercial zone; as a conditionally allowed use in the Neighborhood Retail sub-district of the commercial zone, and not to be allowed in the Office Retail and the Office sub-districts.</p>	

ORDINANCE NO. _____

AN ORDINANCE AMENDING TITLE 3, BUSINESS AND LICENSE REGULATIONS, AND TITLE 10, ZONING REGULATIONS, OF THE CITY CODE OF THE CITY OF CEDAR HILLS, UTAH, ADDING THE REQUIREMENTS AND REGULATIONS FOR CHECK CASHING BUSINESSES.

WHEREAS, pursuant to Utah Code Annotated § 10-9a-501, the City Council of the City of Cedar Hills (“City Council”) may adopt ordinances to govern the use and development of land within the City; and

WHEREAS, the City Council, following receipt of a recommendation from the Planning Commission, has determined that it is in the best interest of the public health, prosperity, comfort, and convenience of the City of Cedar Hills, and the residents thereof, to enact certain amendments to Title 3 and Title 10 of the City Code dealing with check cashing businesses;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CEDAR HILLS, UTAH COUNTY, STATE OF UTAH:

**PART I
AMENDMENTS**

SECTION 1. Section 3-1A-1, Definitions, is amended by adding the following definition:

3-1A-1 DEFINITIONS:

CHECK CASHING: An organization involved in the providing of loans or consideration to customers in exchange for personal property, such as property titles or personal checks. Such services shall include check cashing businesses licensed and/or defined by the State pursuant to the Check Cashing Registration Act, car title loan businesses, deferred deposit loan businesses, and businesses of a similar nature offering such services as a primary function. The term Financial Service shall not include fully automated stand alone services, such as Automated Teller Machines, or those used defined as Bank or Financial Institution.

SECTION 2. Section 10-6A-2, Use Requirements, is hereby added to read as follows:

10-6A-2: USE REQUIREMENTS:

Use	Neighborhood Retail	Office/ Retail	Office
Check Cashing	C	-	-

SECTION 3. Section 10-4E-3, Regulations Governing Commercial Uses is hereby added to read as follows:

10-4E-3: REGULATIONS GOVERNING COMMERCIAL USES

A. CHECK CASHING AND OTHER CREDIT SERVICES

1. Separation Requirement. No check cashing business shall be located within one (1) mile of any other check cashing business as measured in a straight line between the closest property lines of the lots on which the business is

located regardless of intervening structures or zoning districts.

2. No more than one check cashing business or deferred deposit loan business shall be allowed for every twenty thousand (20,000) citizens living in the City of Cedar Hills.
3. For purposes of this subsection 10-4E-3, each separate physical location shall count as a Check Cashing Business.

**PART II
PENALTY AND ADOPTION**

A. CONFLICTING PROVISIONS

Whenever the provisions of this Ordinance conflict with the provisions of any other Ordinance, resolution or part thereof, the more stringent shall prevail.

B. PROVISIONS SEVERABLE

This Ordinance and the various sections, clauses and paragraphs are hereby declared to be severable. If any part, sentence, clause or phrase is adjudged to be unconstitutional or invalid it is hereby declared that the remainder of the ordinance shall not be affected thereby.

C. AMENDMENT TO BE ADDED TO CITY CODE

The City Council hereby authorizes and directs that insert pages reflecting the provisions enacted hereby shall be made and placed in the City Code, Title 10.

D. PENALTY

Hereafter these amendments shall be construed as part of the Zoning Regulations of the City Code of the City of Cedar Hills, Utah, to the same effect as if originally a part thereof, and all provisions of said zoning regulations shall be applicable thereto, including, but not limited to, the enforcement, violation and penalty provisions.

E. EFFECTIVE DATE

This Ordinance shall take effect upon its passage and publication as required by law.

PASSED AND ORDERED POSTED BY THE CITY COUNCIL OF THE CITY OF CEDAR HILLS, UTAH, THIS 17TH DAY OF FEBRUARY, 2009.

ATTEST:

Michael C. McGee, Mayor

Kim E. Holindrake, City Recorder

3.1.3

Mixed-Use Office

The Mixed-Use Office designation is intended to accommodate the least intense land uses and to provide a buffer to existing or future single-family residential areas through landscaping, setbacks, building heights and land uses. Also, any retail uses in this area shall help create a transition from the more intense uses in the other areas to the surrounding residential neighborhoods. Building heights within this designation are limited to those height restrictions found within adjacent residential developments. Community services such as libraries, city hall, public recreation facilities are permitted.



3.2 Permitted and Conditional Uses

No building, structure or land shall be used and no building or structure shall be hereafter erected, except as allowed in the districts as shown as “permitted uses”, indicated by a “P” in the appropriate column, or as “conditional uses”, indicated by a “C” in the appropriate column. If a proposed use is not listed in the use table below but it can be shown to be substantially the same as an existing item in the chart, then it can be treated as the item in the chart.

To receive approval for a conditional use listed in the chart below, the burden of proof shall be on the applicant to demonstrate that the use is appropriate for the property or parcel under consideration. All conditional uses are required to comply with the conditions of approval imposed by the Planning Commission and/or City Council. Such conditions shall be imposed to mitigate or alleviate any expected or foreseeable adverse impacts the proposed conditional use may have on adjacent uses or the surrounding area. Typically, conditions of approval address issues such as noise, lighting, traffic and aesthetics. Even so, the City shall impose any and all conditions they find to be necessary to protect the integrity and quality of the master planned area or the surrounding neighborhoods.

The following specific conditions may be applied to various permitted or conditional uses. Any of the below prescribed conditions, and additional conditions, may be applied to any permitted or conditional uses at the discretion of the Planning Commission and/or City Council.

- a. any bay doors shall be screened, to the greatest extent possible, from residential areas and public streets
- b. the outdoor storage of materials and debris is prohibited
- c. outdoor overnight storage of vehicles is prohibited
- d. any drive through window and sufficient vehicular stacking shall be screened, to the greatest extent possible, from residential areas and public streets
- e. volume control devices, at drive through windows, shall be utilized so as to limit any audio impact on the surrounding area
- f. refuse collection shall be performed so often as to prevent the development of offensive odors

- g. the outdoor storage of materials is prohibited with the exception of live plants that may be stored outside, at the discretion of the Planning Commission and/or City Council, but only in clearly defined locations
- h. the keeping of animals outdoors is prohibited

Use	N. Ret.	Office/Ret.	Office
Antique Shop	C	C	-
Art shop and/or artist's supplies	C	C	-
Assisted living, convalescence home	-	C	C
Automobile lube center	C	-	-
Automobile wash	C	-	-
Baby supplies	C	C	-
Bakery	C	C	-
Banks	C	C	C
Barber shop	C	C	C
Beauty parlor	C	C	C
Bicycle shop	C	C	-
Bookstore	C	C	-
Catering establishment	C	-	-
Check Cashing	C	-	-
Churches	-	C	C
Clothes cleaning, dyeing and pressing, retail	C	-	-
Community services	C	C	C
Convenience market with or without gas station	C	-	-
Dance studio	C	C	C
Drive-through windows	C	C	-
Drug store	C	C	-
Fast food establishments	C	C	-
Food sales	C	C	-
Floral shop	C	C	-
Garden supply	C	C	-
Hardware store, not including outside storage of lumber or building materials	C	-	-
Hobby and/or craft store	C	C	-
Home improvement center	C	C	-
Interior decorating store	C	C	-
Jewelry store	C	C	-
Laundry, automatic, self-help	C	C	-
Locksmith	C	C	-
Movie theater	C	C	-
Music store	C	C	-
Pet grooming w/o boarding	C	C	-
Pet shop	C	C	-
Photographer and/or sale of Photographic supplies	C	C	-
Preschool, day care	C	C	C
Professional Office	C	C	C
Restaurants	C	C	-
Residential, attached units	C ³	C ⁴	C ⁵
Recreational facilities and uses	C	C	C
Signage	C	C	C
Sporting Goods	C	C	C

³When ancillary to a retail use (ancillary = subordinate, subordinate is less than 50% of any given structure) Residential is permitted only on the second level of the structures.

⁴When ancillary to a retail or office use (ancillary = subordinate, subordinate is less than 50% of any given structure) Residential is permitted only on the second level of the structures.

⁵As an independent development

Cities in Utah: Check Cashing Code

City	Distance Between Similar Businesses	Population Ratio	Conditional Use
Draper	1000 ft.	None	Yes
Midvale	600 ft.	1 per 10,000	Yes
Orem	1/2 mile		Yes
Pleasant Grove	1 mile		Yes
Sandy	1 mile	1 per 10,000	Yes
South Jordan	1 mile		Yes
South Salt Lake	600 ft. (between businesses and from Residential Zones)		Yes
Taylorsville	600 ft.	1 per 10,000	Yes
West Jordan	1,000 ft. (also from pawn shop or bail bond businesses)		Yes
West Valley City	600 ft.	1 per 10,000	Yes

Draper

“Cashing Services” An organization involved in the providing of loans or consideration to customers in exchange for personal property, such as property titles or personal checks. Such services shall include check cashing businesses licensed and/or defined by the State pursuant to the Check Cashing Registration Act, car title loan businesses, deferred deposit loan businesses, and businesses of a similar nature offering such services as a primary function. The term Financial Service shall not include fully automated stand alone services, such as Automated Teller Machines, nor those used defined herein as Bank or Financial Institution. No cashing service business shall be located closer than 1000 feet from another such business as measured in a straight line from the property line of the property on which the business is located regardless of intervening structures or zoning districts.

Midvale

“Check cashing” means cashing a check for consideration or extending a deferred deposit loan and shall include any other similar types of businesses licensed by the state pursuant to the Check Cashing Registration Act. No check cashing or deferred deposit loan business shall be located within six hundred feet of any other check cashing business. Distance requirements defined in this section shall be measured in a straight line, without regard to intervening structures or zoning districts, from the entry door of each business. One check

cashing or deferred deposit loan business shall be allowed for every ten thousand citizens living in Midvale City. The term "check cashing" shall not include fully automated stand-alone services located inside of an existing building, so long as the automated service incorporates no signage in the windows or outside of the building.

Orem

22-14-21. Regulations Governing Particular Uses

A. Check Cashing & Other Credit Services (SLU Code 6111)

1. Definition. Check cashing is defined as engaging in the business of a check casher as defined in the Utah Check Cashing Registration Act, Utah Code Section 7-23-101 et.seq. (as amended). Check cashing is also defined as providing loans, cash advances, or other forms of credit upon presentation of a personal check or title to a vehicle to be held by the person or entity making the loan, cash advance, or providing the credit. Check cashing includes uses commonly known as payday advances/loans, deferred deposit loans, title loans, and other businesses of a similar nature. However, the definition of check cashing does not include the providing of credit to finance the initial purchase of personal property or the sale of such debt obligations to a factor or financial institution that purchases debt instruments connected with such transactions in the normal course of its business. Banks, credit unions, and pawnshops are not included in the definition of check cashing
2. Separation Requirement. No check cashing business shall be located within one-half (1/2) mile of any other check cashing business as measured in a straight line between the closest property lines of the lots on which they are located.
3. No more than one check cashing business shall be allowed for every 10,000 citizens living in the City of Orem.
4. For purposes of this subsection 22-14-21(A), each separate physical location shall count as a Check Cashing Business.

Pleasant Grove

10-15-46: CHECK CASHING AGENCIES AND SIMILAR DEFERRED DEPOSIT LOAN BUSINESSES:

- A. All applicants must adhere to the following regulations when applying for these types of businesses:
 1. Check cashing agencies or other similar deferred deposit loan businesses shall be no closer than a one mile driving distance between store locations.
 2. If allowed in a certain zone, all check cashing agencies and other similar businesses must obtain conditional use permit approval prior to the issuance of a business license.
 3. Check cashing agencies and other similar deferred deposit loan businesses are prohibited from all zones, except for the C-S/commercial sales and CS-2/commercial sales-2 zones. (Ord. 2007-34, 9-4-2007)

West Valley

"Check Cashing" means cashing a check for consideration or extending a Deferred Deposit Loan and shall include any other similar types of businesses licensed by the State pursuant to the Check Cashing Registration Act. No check cashing or deferred deposit loan business shall be located within 600 feet of any other check cashing business. Distance requirements defined in this section shall be measured in a straight line, without regard to intervening structures or zoning districts, from the entry door of each business. One check cashing or deferred deposit loan business shall be allowed for every 10,000 citizens living in West Valley City. The term Check Cashing shall not include fully automated stand alone services located inside of an existing building, so long as the automated service incorporates no signage in the windows or outside of the building.



CITY OF CEDAR HILLS

TO:	Mayor and City Council
FROM:	Greg Robinson, Assistant to the City Manager
DATE:	2/17/2009

City Council Agenda Item

SUBJECT:	Review/Action to Reinstate the Approval of Lot 2 of the Cedar Hills Retail Subdivision - Phillips Edison
APPLICANT PRESENTATION:	Philips Edison
STAFF PRESENTATION:	Greg Robinson, Assistant to the City Manager, Planning
BACKGROUND AND FINDINGS:	
<p>Philips Edison received their final approval May 15, 2007. Because this approval was more than a year ago, staff recommends that this approval is reviewed for a possible extension for part or all of the development. Since Phillips Edison's approval, they have installed some of their preliminary site improvements and paid a portion of their required fees, but there has been little progress towards the completion of the building.</p> <p>Chase Bank is now expressing interest in locating on Lot 2 (the 4800 West & Cedar Hills Dr. north-east corner lot) and is scheduled to be on the agenda for the February Planning Commission Meeting. Reinstating the approval for Philips Edison will allow Chase the time to pursue an amended site plan for Lot 2.</p>	
PREVIOUS LEGISLATIVE ACTION:	
May 15, 2007 City Council – Final Approval	
FISCAL IMPACT:	
½ Plan Check Fee reassessed to Philips Edison (approx. \$2400.00) in addition to Phillips Edison's normally required fees.	
SUPPORTING DOCUMENTS:	
N/A	
RECOMMENDATION:	
<p>Reinstate approvals only for lot 2, and limit the duration of the extension to 2-3 months Require new/separate development agreements for lots 1 & 2 If the Council wishes to review Lot 1, to match the Chase Bank design, specifically mention that Lot 1 will need to return to the Planning Commission & City Council for site plan approval or extension.</p>	
MOTION:	
To reinstate the approval of Lot 2 of the Cedar Hills Retail Subdivision, subject to...	



CITY OF CEDAR HILLS

TO:	Mayor and City Council
FROM:	David H. Bunker, City Engineer
DATE:	2/17/2009

City Council Agenda Item

SUBJECT:	American Fork Irrigation Interlocal Cooperation Agreement
APPLICANT PRESENTATION:	None
STAFF PRESENTATION:	David Bunker
BACKGROUND AND FINDINGS: Item was tabled at the February 3 Council meeting. Item was returned to American Fork for approval following the December 9, City Council Meeting. Changes were re-submitted to Cedar Hills for approval. This item was tabled on the November 18 City Council Meeting. The City of American Fork has submitted a draft Interlocal Cooperation Agreement for review. The agreement would allow the City of American Fork to acquire a temporary construction easement for the installation of a pressurized irrigation system, and a permanent easement and right-of-way for the maintenance of said line. Language should be added to insure the agreement protects the City's interests including the bridge structure, vegetation, AF river banks through golf course, ability to change surface grades, etc. Update: A revised agreement has been prepared by staff and legal council for your review.	
PREVIOUS LEGISLATIVE ACTION: N/A	
FISCAL IMPACT: N/A	
SUPPORTING DOCUMENTS: Copy of the draft Interlocal Cooperation Agreement, and the proposed alignment of the pressurized irrigation line.	
RECOMMENDATION: Staff recommends the City Council review and approve the agreement with the City of American Fork for the temporary construction and permanent easement for a pressurized irrigation line subject to changes to easement language.	
MOTION: To approve/not approve an agreement with the City of American Fork for the temporary construction and permanent easement for a pressurized irrigation line.	

INTERLOCAL COOPERATION AGREEMENT

EASEMENT IN FAVOR OF THE CITY OF AMERICAN FORK

The CITY OF CEDAR HILLS, UTAH (“**Cedar Hills**”) and the CITY OF AMERICAN FORK, UTAH (“**American Fork**”) (collectively, the “Parties”) enter into this Interlocal Cooperation Agreement (“Agreement”) as of the date written above pursuant to the provisions of the Utah Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (“Act”).

RECITALS

A. The Act permits public agencies, including the Parties, to make the most efficient use of their powers by enabling them to cooperate with other public agencies on the basis of mutual advantage and to more efficiently provide facilities, services, and improvements to the general public.

B. The City Council of Cedar Hills has determined that entering into this Agreement will promote the general welfare of Cedar Hills and its residents.

C. The City Council of American Fork has determined that entering into this Agreement will promote the general welfare of American Fork and its residents.

NOW, THEREFORE, in consideration of the mutual promises made herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

Section 1. Purpose. The purpose of this Agreement is to permit the Parties to work together to grant American Fork an easement for a transmission line to traverse certain real property owned or controlled by Cedar Hills. This Agreement does not create an interlocal entity. No joint facilities or assets are approved under this Agreement.

Section 2. Cedar Hills Agrees to Grant Easement. Cedar Hills agrees to grant American Fork a non-exclusive easement and right-of-way, for the purpose of construction and maintenance of a transmission pipeline, to certain property generally extending from 4800 West to the American Fork Pressurized Irrigation Upper Reservoir. The precise terms of the easement will be as set forth in the Express Easement attached hereto in substantially final form as Exhibit A. American Fork will pay Cedar Hills **\$10, provide protection to existing golf course bridge, and provide protection to the river bank and channel**, as consideration for the easement. The Parties may, before executing the Express Easement, make any alterations or additions to the Express Easement that are necessary to carry out this Agreement.

Section 3. American Fork to Notify and Obtain Consent From Cedar Hills. The easement authorized hereunder is revocable if the pressurized irrigation facility is **unused for a period of 20 years or if written notification is given to Cedar Hills from American Fork of their intent to abandon the easement.** ~~at any time by Cedar~~

Hills. Further, before American Fork may engage in any construction, installation, operation, maintenance, repair, inspection, or replacement activities under the easement, American Fork shall be required to notify Cedar Hills and obtain consent for each such activity from Cedar Hills. Even where consent from the Cedar Hills is given, American Fork shall perform all installation, operation, maintenance, repair, inspection, and replacement activities in a manner that limits to the maximum extent possible any surface disturbance. American Fork must always return the surface to the same condition as it existed before the activity causing any surface disturbance. Such restoration must be performed immediately upon completion of the activity causing the disturbance.

Section 4. Easement Not Exclusive. The easement granted to American Fork is not exclusive. Cedar Hills retains the right at all times to the full use and enjoyment of the property over which the easement traverses, except that as long as the easement has not been revoked, Cedar Hills use will not unreasonably interfere with the transmission pipeline installed within the easement. Cedar Hills agrees to notify American Fork before Cedar Hills engages in any activity altering the property traversed by the easement; however, both Parties agree that American Fork's consent is not required for such activity. **Cedar Hills agrees to inform American Fork of activities occurring within the easement and allow American Fork to comment on potential concerns. Cedar Hills will not unreasonably propose facilities to be constructed within 6 feet horizontal and 3 feet vertical of the pipeline when engineering restricts the continued viability of the pipeline.**

Section 5. Provisions Relating to Bridge. The easement will traverse property that is presently occupied by a bridge. American Fork agrees that before exercising any rights under the easement, American Fork will notify and work with the Cedar Hills Public Works Department. American Fork may not perform any activities affecting the bridge without written pre-approval from the Cedar Hills Public Works Department.

Section 6. Agreement Term. This Agreement shall be in full force and continue in effect for ___ years from the date of execution hereof. Before the expiration of that ___ year term, the Parties may agree to terminate this Agreement by written authorization of the duly authorized representatives of each of the Parties.

Section 7. Property and Financing. This agreement does not relate to the ownership of any property, real or personal. Each Party will hold its own property. Each Party will be solely responsible for financing its expenses under this Agreement. No budget is necessary under this Agreement.

Section 8. Agreement to be Kept on File. Each Party covenants that this Agreement shall be filed with its keeper of records.

Section 9. Cedar Hills Representations. The Parties each represent and warrant that they are, respectively, a political subdivision of the State of Utah and are authorized to enter into the transactions contemplated by this Agreement and to carry out their

respective obligations hereunder. The Parties represent and warrant that they have, respectively, taken all actions required by law to approve and authorize the execution of this Agreement.

Section 10. Assignment. Neither Party may assign any interest herein without consent of the other Party. The terms of this Agreement shall inure to the benefit of and be binding upon the respective representatives and successors of each of the Parties.

Section 11. Counterparts. This Agreement may be executed in several counterparts, any one of which shall be regarded for all purposes as one original. Each Party agrees that it will execute any and all documents necessary to this Agreement.

Section 12. Entire Contract. This Agreement merges and supersedes all prior negotiations, representations and agreements between the Parties relating to the subject matter of this Agreement.

Section 13. Amendment. This Agreement may not be modified or amended except in writing, which writing will be signed by the duly authorized representatives of each of the Parties.

Section 14. Severability. If any provision of this Agreement is held to be invalid under applicable law, that provision shall be ineffective to the extent of such invalidity or prohibition without invalidating the remainder of that provision or the remaining provisions of this Agreement.

Section 15. Governing Law. This Agreement is governed by the laws of the State of Utah.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date written above.

CITY OF CEDAR HILLS, UTAH

By _____
Michael C. McGee, Mayor

Attest:

Kim E. Holindrake, City Recorder

[SEAL]

Approved as to form and compliance with State law:

By _____
Attorney for Cedar Hills

CITY OF AMERICAN FORK, UTAH

By _____
Heber Thompson, Mayor

Attest:

Richard Colborn, City Recorder

[SEAL]

Approved as to form and compliance with State law:

By _____
Attorney for American Fork

RESOLUTION _____

A RESOLUTION AUTHORIZING AN INTERLOCAL AGREEMENT WITH THE CITY OF AMERICAN FORK RELATING TO AN EASEMENT FOR A TRANSMISSION PIPELINE; AND RELATED MATTERS.

WHEREAS, the Utah Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the “Act”) permits public agencies to make the most efficient use of their powers by enabling them to cooperate with other public agencies on the basis of mutual advantage and to more efficiently provide facilities, services, and improvements to the general public.

WHEREAS, the City Council of the City of Cedar Hills, Utah, (“City”) has determined that entering into an interlocal cooperation agreement with the City of American Fork, Utah, (“American Fork”) in substantially the form attached as Exhibit A (“Interlocal Cooperation Agreement”), which Interlocal Cooperation Agreement authorizes the City to grant American Fork a non-exclusive easement for a transmission pipeline and will promote the general welfare of the City and its residents.

WHEREAS, American Fork has agreed to the terms of the Interlocal Cooperation Agreement.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CEDAR HILLS, UTAH, AS FOLLOWS:

- Section 1.** The public health, convenience, and necessity will be served by the City entering into the Interlocal Cooperation Agreement.

- Section 2.** The Interlocal Cooperation Agreement in substantially the form presented at this meeting and attached hereto as Exhibit A is in all respects approved, authorized and confirmed. The appropriate officials of the City are authorized to approve the final terms and to execute the Interlocal Cooperation Agreement on behalf of the City in the form and with substantially the same content as set forth in Exhibit A.

- Section 3.** The City Council directs the City Recorder to cause to be prepared and published one time in the Daily Herald a notice of agreement in substantially the form attached as Exhibit B. The City Recorder is directed to make a copy of this Resolution and a copy of the Interlocal Cooperation Agreement available for review at the City Recorder’s office during regular business hours for 30 days after the publication of the notice of agreement. During that 30-day period, any person in interest may contest the legality of this Resolution or the Interlocal Cooperation Agreement. After that 30-day period has passed, no one may contest this Resolution or the Interlocal Cooperation Agreement for any cause whatsoever.

Section 4. All regulations, orders and resolutions of the City or parts thereof inconsistent herewith are hereby repealed to the extent only of such inconsistency.

Section 5. The City Recorder is directed to complete the attached Record of Proceedings.

Section 6. This Resolution shall become effective immediately upon adoption.

ADOPTED, APPROVED, and ORDERED by majority vote at a duly called meeting of the City Council of Cedar Hills, Utah this February 17, 2009.

CITY OF CEDAR HILLS, UTAH

By: _____
Michael C. McGee, Mayor

ATTEST:

Kim E. Holindrake, City Recorder

(S E A L)

RECORD OF PROCEEDINGS

The City Council of the City of Cedar Hills, Utah, met in public session at its regular meeting place in the City of Cedar Hills, Utah, at 7:00 p.m., or as soon thereafter as feasible, on February 17, 2009, with the following members present:

Michael McGee	Mayor
Jim Perry	Council Member
Eric Richardson	Council Member
Charelle Bowman	Council Member
Kenneth Kirk	Council Member
Marisa Wright	Council Member

Also present:

Konrad Hildebrandt	City Manager
Kim E. Holindrake	City Recorder

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the foregoing resolution (“Resolution”) was introduced in written form and fully discussed.

Council Member _____ then introduced and moved the adoption of this Resolution, which motion was seconded by Council Member _____ and the motion was passed as follows:

YES:

NO:

ABSTAIN:

Certificate of City Recorder

I, Kim E. Holindrake, the duly qualified and acting City Recorder of the City of Cedar Hills, Utah, certify according to the records of the City in my official possession that the foregoing constitutes a true and correct copy of the minutes of the meeting of the City Council held on February 17, 2009, including a resolution adopted at that meeting as the minutes and resolution are officially of record in my possession.

IN WITNESS WHEREOF, I have subscribed my official signature and impressed the official seal of the City this February 17, 2009.

Kim E. Holindrake, City Recorder

(S E A L)

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Kim E. Holindrake, the City Recorder of the City of Cedar Hills, Utah, certify, according to the records of the City in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than 24 hours public notice of the agenda, date, time, and place of the February 17, 2009, public meeting held by the City Council as follows:

- (a) By causing a Meeting Notice, in the form attached, to be posted at the City's principal offices at least 24 hours prior to the convening of the meeting, the Meeting Notice having continuously remained so posted and available for public inspection until the completion of the meeting; and
- (b) By causing a copy of the Meeting Notice to be delivered to a newspaper of general circulation within the City at least 24 hours prior to the convening of the meeting.
- (c) By causing a copy of the Meeting Notice to be posted on the Utah Public Notice Website at least 24 hours prior to the convening of the meeting.

In addition, the attached Notice of the 2009 Annual Meeting Schedule for the City Council, attached, specifying the date, time and place of the regular meetings of the City Council to be held during the year was posted on December 15, 2008, at the principal office of the City and provided to at least one newspaper of general circulation within the City on December 15, 2008.

DATED this ____ day of February, 2009.

Kim E. Holindrake, City Recorder

(S E A L)

[Attach Meeting Notice]

[Attach Notice of 2009 Annual Meeting Schedule]

EXHIBIT A

INTERLOCAL COOPERATION AGREEMENT

EXHIBIT B

NOTICE OF AGREEMENT

On February 17, 2009, the City Council of the City of Cedar Hills, Utah, adopted a Resolution authorizing the City to enter into an interlocal cooperation agreement (“Agreement”) with the City of American Fork, Utah. The Agreement authorizes the City to provide American Fork with an easement for a transmission pipeline traversing City property. The City does not assume any monetary obligations under the Agreement. The Agreement term will be ___ years. The easement will terminate ___ years after its execution. The easement is not exclusive, meaning the City will continue to have the right to the use and enjoyment of the burdened property.

Copies of the Resolution and the Agreement are and will be available for review at the City Recorder’s office located at 3925 W. Cedar Hills Drive, Cedar Hills, Utah, during regular business hours for 30 days after the publication of this notice. During that 30-day period, any person in interest may contest the legality of the Resolution or the Agreement. After that 30-day period has passed, no one may contest the Resolution or the Agreement for any cause whatsoever.

DATED this ___ day of February, 2009.

Kim E. Holindrake, City Recorder

After recording, please return to:
City of Cedar Hills
3925 W Cedar Hills Drive
Cedar Hills UT 84062

EXPRESS EASEMENT

The CITY OF CEDAR HILLS, UTAH, Grantor, hereby QUIT-CLAIMS to the CITY OF AMERICAN FORK, UTAH, Grantee, for good and valuable consideration the following described Express Easement and Right of Way over Grantors' property:

A 20-foot wide non-exclusive **operation and maintenance** easement for installation, operation, maintenance, repair, inspection, and replacement of a transmission pipeline, said easement lying 10 feet on each side of the following described center line:

In addition, a 50 foot wide construction easement for the installation of a transmission pipeline, said easement including the above 20 foot wide operation and maintenance easement plus 30 feet southerly and westerly of the operation and maintenance easement. Said construction easement will expire one year from the completion of the project.

The Easement granted herein is expressly limited by the conditions that the Grantee must provide notice to the Grantor before exercising any right hereunder, and advance consent from the Grantor is required before the Grantee may engage in any installation, operation, maintenance, repair, inspection, or replacement activities hereunder. Consent from the Grantor shall not be unreasonably withheld. Even where consent from the Grantor is given, the Grantee shall perform all installation, operation, maintenance, repair, inspection, and replacement activities in a manner that limits to the maximum extent possible any surface disturbance. The Grantee must always return the surface to the same condition as it existed before the activity causing any surface disturbance. Such restoration must be performed immediately upon completion of the activity causing the disturbance. The easement granted hereunder is not perpetual, but will terminate **99** years from the date of execution or upon non-use of the easement or the transmission line for any period **of 20 years**. The Easement granted herein does not grant Grantee any rights to use the easement for any purpose other than for a water transmission line for secondary irrigation water.

WITNESS, the hand of said Grantor, this ____ day of _____, 2009.

Michael C. McGee, Mayor

ATTEST:

Kim E. Holindrake, City Recorder

On this ___ day of _____, 2009, personally appeared before me Michael C. McGee and Kim E. Holindrake, the Mayor and City Recorder, and signers of the within instrument, who duly acknowledged to me that they did execute the same.

Notary Public



CITY OF CEDAR HILLS

TO:	City Council
FROM:	Zoning Department
DATE:	February 17, 2009

City Council Agenda Item

SUBJECT:	Landscaping Ordinance 10-5-27 revision
APPLICANT PRESENTATION:	
STAFF PRESENTATION:	Konrad Hildebrandt – City Manager
BACKGROUND AND FINDINGS: After an appeal of the enforcement of the Landscaping Ordinance, the City Council suggested rewriting some of the ordinance in order to clarify and expedite the appeals process by being administered by the City Manager or designee. Also, the written notice of the landscaping requirements to be given to the permit holder.	
PREVIOUS LEGISLATIVE ACTION: None	
FISCAL IMPACT: None	
SUPPORTING DOCUMENTS: See attached Landscaping Ordinance document with strikeouts and highlights.	
RECOMMENDATION: To approve amended Landscaping Ordinance	
MOTION: To approve amended Landscaping Ordinance	

ORDINANCE NO. _____

AN ORDINANCE AMENDING TITLE 10 OF THE CITY CODE OF THE CITY OF CEDAR HILLS, UTAH, AMENDING THE REQUIREMENTS RELATING TO THE INSTALLATION OF LANDSCAPE FEATURES ON LOTS.

WHEREAS, pursuant to Utah Code Annotated § 10-9a-501, the City Council of the City of Cedar Hills (“City Council”) may adopt ordinances to govern the use and development of land within the City; and

WHEREAS, pursuant to Utah Code Annotated § 10-8-84, the City Council may adopt ordinances “necessary and proper to provide for the safety and preserve the health, and promote the prosperity, improve the morals, peace and good order, comfort, and convenience of the city and its inhabitants, and for the protection of property in the city”; and

WHEREAS, the City Council finds that the adoption of landscaping requirements will help to eliminate noxious weeds that may constitute a nuisance to property owners by contributing to allergies and causing the spread of weeds to other properties; and

WHEREAS, the City Council finds that the adoption of landscaping requirements will help beautify the City’s environment; and

WHEREAS, the City Council, following receipt of a recommendation from the Planning Commission, has determined that it is in the best interest of the public health, prosperity, comfort, and convenience of the City of Cedar Hills, and the residents thereof, to enact certain amendments to Title 10 of the City Code dealing with landscaping requirements;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CEDAR HILLS, UTAH COUNTY, STATE OF UTAH:

**PART I
AMENDMENTS**

SECTION 1. Title 10, Chapter 5, Section 27, of the City Code, entitled Supplementary Development Standards - Landscaping, is hereby amended to read as follows:

10-5-27 Landscaping

- A. Intent: It is the intent of this section to ensure the timely installation of landscaping within the front yard areas of residential lots occupied by a dwelling.

- B. Required: The front yard area of any existing lot containing a dwelling shall be landscaped. It shall be unlawful for the owner of any residential lot within the city to refuse to install and maintain landscaping within the front yard area of any existing residential lot containing a dwelling. The front yard area shall consist of the entire lot area from the front lot line to the face of the dwelling, or the front setback area, whichever is greater. Corner lots have two (2) front setback areas. Landscaping shall be properly maintained including removing weeds and mowing turf areas. Turf grass shall not exceed six inches (6") in height.

- C. Defined: The term "landscaping" shall mean and include the installation of any combination of turf (including either sod or seeded area), planter beds, gardens, trees and shrubs, statuary, boulders, rock areas or other customary landscape features that occupy the entire unpaved portion of the front yard area.
1. Irrigation System: Where the landscaping includes turf and other plant materials that require the application of irrigation water in order to be sustained, an irrigation system shall be installed and designed to provide adequate quantities of water to those areas requiring irrigation.
 2. Xeriscape Permitted: Nothing in this section shall be construed to prohibit the use of drought tolerant vegetation (Xeriscape), and nonvegetative materials. Provided, however, failure of an owner to install and maintain landscaping within the front yard area under the guise that the vegetation and bare ground that occur naturally on the site constitutes Xeriscaping shall not qualify as conforming with the provisions of this section.
- D. Landscaping In New Construction:
1. Landscape Bond Required: Prior to issuance of a building permit, a cash bond in the form of a cash escrow account in the amount listed on the city fee schedule, payable to the city and attached to the parcel or other adequate security, together with a landscaping completion agreement signed by the owner of the property shall be provided. The proceeds from this bond shall be released as the landscape improvements are completed.
 2. Time Limitation: In the instance of lots upon which a dwelling is being constructed, the landscape features required by this section shall be installed within twelve (12) months of issuance of a final inspection approval for the dwelling. Notice of this requirement shall be given to the ~~owner/builder~~ permit holder prior to, or at the time of final inspection approval.
- E. Landscaping Of Existing Dwellings: In the instance of lots upon which a dwelling unit has already been constructed and/or occupied, the owner shall be noticed in writing of the landscape ordinance and required to install landscaping within twelve (12) months of written notice.
- F. Enforcement: The zoning administrator is hereby charged with the responsibility for enforcement of this section. The owner of any dwelling that does not conform with the provisions of this section shall be in violation of this section, and as such, be subjected to an immediate administrative citation and a landscape installation fine as shown on the city fee schedule.
- G. Appeal: The owner of any dwelling aggrieved by the issuance of an administrative citation or bond forfeiture shall have and maintain a right to appeal to ~~the city council~~ city manager or designee, provided said appeal shall be submitted not ~~less~~ more than thirty (30) days following the issuance of the administrative citation or forfeited bond. The ~~city council~~ city manager or designee shall have the right, after notice to the ~~owner/builder~~ permit holder and

hearing on the matter, to confirm, waive or amend the terms of the administrative citation or forfeiture of bond. In considering an appeal under this section, the ~~city council~~ city manager or designee shall ensure that the purposes and intent of this section and the city's other land use ordinances are achieved.

H. Penalty: Any public or private entity violating any of the provisions of this section, as determined by a finding by the zoning administrator, shall receive a fine/fee according to the city fee schedule.

**PART II
PENALTY AND ADOPTION**

A. CONFLICTING PROVISIONS

Whenever the provisions of this Ordinance conflict with the provisions of any other Ordinance, resolution or part thereof, the more stringent shall prevail.

B. PROVISIONS SEVERABLE

This Ordinance and the various sections, clauses and paragraphs are hereby declared to be severable. If any part, sentence, clause or phrase is adjudged to be unconstitutional or invalid it is hereby declared that the remainder of the ordinance shall not be affected thereby.

C. AMENDMENT TO BE ADDED TO CITY CODE

The City Council hereby authorizes and directs that insert pages reflecting the provisions enacted hereby shall be made and placed in the City Code, Title 10.

D. PENALTY

Hereafter these amendments shall be construed as part of the Zoning Ordinance of the City Code of the City of Cedar Hills, Utah, to the same effect as if originally a part thereof, and all provisions of said regulations shall be applicable thereto, including, but not limited to, the enforcement, violation and penalty provisions.

E. EFFECTIVE DATE

This Ordinance shall take effect upon its passage and publication as required by law.

PASSED AND ORDERED POSTED BY THE CITY COUNCIL OF CEDAR HILLS, UTAH, THIS 17TH DAY OF FEBRUARY, 2009.

Michael C. McGee, Mayor

ATTEST:

Kim E. Holindrake, City Recorder



CITY OF CEDAR HILLS

TO:	Mayor and City Council
FROM:	Konrad Hildebrandt, City Manager
DATE:	2/17/2009

City Council Agenda Item

SUBJECT:	Authorizing Resolution – A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF \$ ----- UTILITY REVENUE BONDS, SERIES 2009 FOR UTILITY SYSTEM IMPROVEMENTS, INCLUDING SECONDARY IRRIGATION WATER IMPROVEMENTS; AND RELATED MATTERS
APPLICANT PRESENTATION:	N/A
STAFF PRESENTATION:	Konrad Hildebrandt, City Manager
BACKGROUND AND FINDINGS: The City Council has previously approved a parameters resolution for the issuance and sale of PI Improvement Water system and PI Improvements Bonds. This is the final authorizing resolution for the sale of said bonds.	
PREVIOUS LEGISLATIVE ACTION: Bond Parameter Resolution	
FISCAL IMPACT: \$900,000	
SUPPORTING DOCUMENTS: None	
RECOMMENDATION: Approve, by resolution, the Utility Revenue Bonds, Series 2009 for utility system improvements, including secondary irrigation water improvements; and related matters.	
MOTION: Approve, by resolution, the Utility Revenue Bonds, Series 2009 for utility system improvements, including secondary irrigation water improvements; and related matters.	

**CITY OF CEDAR HILLS, UTAH
UTILITY REVENUE BONDS, SERIES 2009**

**AUTHORIZING RESOLUTION
[_____], 2009**

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF \$_____ UTILITY REVENUE BONDS, SERIES 2009 FOR UTILITY SYSTEM IMPROVEMENTS, INCLUDING SECONDARY IRRIGATION WATER IMPROVEMENTS; AND RELATED MATTERS.

WHEREAS, the City Council (the "Council") of the City of Cedar Hills, Utah County, Utah (the "Issuer") desires (i) to finance utility improvements, including secondary irrigation water improvements and related improvements (the "Project"), and (ii) to pay the costs associated with that financing, pursuant to the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act"); and

WHEREAS, in order to accomplish those purposes the Issuer desires to issue its Utility Revenue Bonds, Series 2009 in the aggregate principal amount of \$_____ (the "Series 2009 Bonds") pursuant to this Resolution, a General Indenture of Trust dated as of February 1, 2006, between the Issuer and U.S. Bank National Association as Trustee (the "Trustee") (the "General Indenture") attached as Exhibit A, and a Third Supplemental Indenture of Trust dated as of [_____], 2009 between the Issuer and the Trustee, in substantially the form presented to the meeting at which this Resolution was adopted and which is attached hereto as Exhibit B (the "Third Supplemental Indenture"); and

WHEREAS, _____ (the "Purchaser") has offered to purchase the Issuer's Series 2009 Bonds in the total principal amount of \$_____ at the interest rate or rates set forth in the Third Supplemental Indenture; and

WHEREAS, the Issuer desires to accept the offer of the Purchaser and to confirm the sale of the Series 2009 Bonds to the Purchaser; and

WHEREAS, the Series 2009 Bonds shall be payable solely from the Net Revenues and other moneys pledged therefor in the General Indenture and the Third Supplemental Indenture (collectively, the "Indenture"), and shall not constitute or give rise to a general obligation or liability of the Issuer or constitute a charge against its general credit or taxing powers:

NOW THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Cedar Hills, Utah County, Utah, as follows:

Section 1. The terms defined or described in the recitals hereto shall have the same meanings when used in the body of this Resolution.

Section 2. All actions heretofore taken (not inconsistent with the provisions of this Resolution), by the Council and by the officers of the Issuer directed toward the issuance and sale of the Series 2009 Bonds, are hereby ratified, approved and confirmed.

Section 3. The Third Supplemental Indenture attached hereto as Exhibit B is authorized and approved, and the Mayor and City Recorder are authorized and directed to execute and deliver the same on behalf of the Issuer, with such additions, modifications, deletions and changes thereto as may be deemed necessary or appropriate and approved by the Mayor, whose execution thereof on behalf of the Issuer shall conclusively establish such necessity, appropriateness and approval with respect to all such additions, modifications, deletions and changes incorporated therein.

Section 4. For the purposes set forth in the Third Supplemental Indenture the Issuer authorizes the issuance of the Series 2009 Bonds which shall be designated "City of Cedar Hills, Utah County, Utah Utility Revenue Bonds, Series 2009", in the maximum aggregate principal amount of \$_____. The Series 2009 Bonds shall bear interest, shall be dated, shall be issued as fully registered Bonds, and shall mature as provided in the Third Supplemental Indenture.

Section 5. The form, terms and provisions of the Series 2009 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the Indenture. The Mayor and City Recorder are hereby authorized and directed to execute and seal the Series 2009 Bonds and to deliver the Bonds to the Trustee for authentication. The signatures of the Mayor and the City Recorder may be by facsimile or manual execution.

Section 6. The appropriate officials of the Issuer are authorized and directed to execute and deliver to the Trustee the written order of the Issuer for authentication and delivery of the Series 2009 Bonds in accordance with the provisions of the Indenture.

Section 7. The Series 2009 Bonds shall be sold to the Purchaser on the terms set forth in the Third Supplemental Indenture.

Section 8. Upon their issuance, the Series 2009 Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2009 Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2009 Bonds, or any other instrument, shall be construed as creating a general obligation of the Issuer, or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Issuer or its taxing powers.

Section 9. The appropriate officials of the Issuer are authorized and directed to execute, seal and deliver for and on behalf of the Issuer any or all additional certificates, documents and other papers and to perform all other acts they may deem

necessary or appropriate in order to carry out the matters and documents authorized by this Resolution.

Section 10. After the Series 2009 Bonds are delivered by the Trustee to the Purchaser, and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the Series 2009 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 11. For purposes of and in accordance with Section 265 of the Code, the Issuer designates the Series 2009 Bonds as an issue qualifying for the exception for certain qualified tax-exempt obligations to the rule denying banks and other financial institutions 100% of the deduction for interest expenses which is allocable to tax-exempt interest. The Issuer reasonably anticipates that the total amount of tax-exempt obligations (other than obligations described in Section 265(b)(3)(C) (ii) of the Code) which will be issued by the Issuer and by any aggregated issuer during the current calendar year will not exceed \$10,000,000. For purposes of this Section, “aggregated issuer” means any entity which, (i) issues obligations on behalf of the Issuer, (ii) derives its issuing authority from the Issuer, or (iii) is directly or indirectly controlled by the Issuer within the meaning of Treasury Regulation Section 1.150-1(e). The Issuer hereby represents that (a) it has not created and does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code and (b) the total amount of obligations so designated by the Issuer and all aggregated issuers for the current calendar year does not exceed \$10,000,000.

Section 12. In accordance with the provisions of the Act, the Issuer has designated the New Utah as the official newspaper of the Issuer authorized to publish legal notices for the Issuer, and in accordance with the Act, the City Recorder has caused a “Notice of Public Hearing and Bonds to be Issued” to be (1) published once each week for two consecutive weeks in the New Utah, with the first publication being not less than 14 days before the public hearing, and (2) posted on the Utah Public Notice Website not less than 14 days before the public hearing, and has caused a copy of a Parameters Resolution (with all exhibits attached) to be kept on file in the office of the City Recorder of the Issuer for public examination during regular business hours for at least thirty (30) days from and after the last publication thereof.

Section 13. All parts of this Resolution are severable, and if any section, clause or provision of this Resolution is, for any reason, held to be invalid or unenforceable, the invalidity or unenforceability of that section, clause or provision does not affect the remaining sections, clauses or provisions of this Resolution.

Section 14. All resolutions, orders and regulations or parts previously adopted or passed which are in conflict with this Resolution are, to the extent of such conflict, repealed. This repealer shall not be construed so as to revive any resolution, order, regulation or part thereof heretofore repealed.

Section 15. The City Recorder is directed to complete the attached Record of Proceedings.

Section 16. This Resolution shall take effect immediately upon its approval and adoption.

PASSED, APPROVED AND ADOPTED this [_____], 2009.

Mayor

ATTEST:

City Recorder

(S E A L)

RECORD OF PROCEEDINGS

The Council of the Issuer met in public session at the regular meeting place of the Council at 3925 West Cedar Hills Dr. in Cedar Hills, Utah, on [_____], 2009, at the hour of 7:00 p.m., or as soon thereafter as feasible, with the following members of the Council being present:

Michael McGee	Mayor
Kenneth Kirk	Councilmember
Charelle Bowman	Councilmember
Eric Richardson	Councilmember
Marisa Wright	Councilmember
Jim Perry	Councilmember

Also present:

Konrad Hildebrandt	City Manager
Kim E. Holindrake	City Recorder

Absent:

After the meeting had been duly called to order and after other matters were discussed, the foregoing resolution authorizing bonds (the “Resolution”) was introduced in written form and fully discussed.

A motion to adopt the Resolution was then duly made by Councilmember _____ and seconded by Councilmember _____ and the Resolution was put to a vote and carried, the vote being as follows:

YEA:

NAY:

The Resolution was then signed by the Mayor in open meeting and recorded by the City Recorder in the official records of the Issuer.

CERTIFICATE OF CITY RECORDER

I, Kim E. Holindrake, the duly appointed and qualified City Recorder of the Issuer, do hereby certify that the attached Resolution is a true, accurate and complete copy thereof as adopted by the Council at a public meeting duly held on [_____], 2009 (the "Meeting"). The Meeting was called and noticed as required by law as is evidenced by the attached Certificate of Compliance with Open Meeting Law. The persons present and the result of the vote taken at the Meeting are all as shown above. The Resolution, with all exhibits attached, was deposited in my office on [_____], 2009 and is officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of the Issuer, this [_____], 2009.

(S E A L)

City Recorder

**CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW**

I, Kim E. Holindrake, the undersigned City Recorder of the Issuer, do hereby certify, according to the records of the Issuer in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than 24 hours public notice of the agenda, date, time and place of the [_____], 2009 public meeting, held by the Issuer as follows:

(a) By causing a Meeting Notice, in the form attached, to be posted at the Issuer's principal offices, at least 24 hours before the convening of the meeting, the Meeting Notice having continuously remained posted and available for public inspection until the completion of the meeting; and

(b) By causing a copy of the Meeting Notice to be delivered to a newspaper of general circulation in the Issuer at least 24 hours prior to the convening of the meeting.

(c) By causing a copy of the Meeting Notice to be posted on the Utah Public Notice Website at least 24 hours prior to the convening of the meeting.

In addition, the Notice of 2009 Annual Meeting Schedule for the Issuer, attached hereto, specifying the date, time and place of the regular meetings of the Council to be held during the 2009 calendar year was posted on _____, 200_, at the principal office of the Council and provided to at least one newspaper of general circulation within the Issuer on _____, 200__.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this [_____], 2009.

City Recorder

(S E A L)

(Attach Meeting Notice)

(Attach Notice of 2009 Annual Meeting Schedule)

EXHIBIT A
GENERAL INDENTURE OF TRUST

(See Transcript Document No. ____)

EXHIBIT B

THIRD SUPPLEMENTAL INDENTURE OF TRUST

(See Transcript Document No. __)

**CITY OF CEDAR HILLS, UTAH
UTILITY REVENUE BONDS**

**PARAMETERS RESOLUTION
DECEMBER 9, 2008**

RESOLUTION NO. _____

A RESOLUTION CALLING A PUBLIC HEARING AND GIVING NOTICE OF INTENT TO ISSUE NOT MORE THAN \$1,000,000 UTILITY REVENUE BONDS, IN ONE OR MORE SERIES, FOR UTILITY IMPROVEMENTS, INCLUDING SECONDARY IRRIGATION WATER IMPROVEMENTS; AND RELATED MATTERS.

WHEREAS, pursuant to the provisions of the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, the City Council (the "Council") of the City of Cedar Hills, Utah County, Utah (the "Issuer"), has authority to issue its Utility Revenue Bonds, in one or more series, in an amount not to exceed \$1,000,000 (the "Bonds") for the municipal purposes set forth therein; and

WHEREAS, the Act provides for the publication of a Notice of Public Hearing and Bonds to be Issued, and the Issuer desires to call a public hearing and publish such a notice at this time in compliance with the Act with respect to the Bonds:

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

Section 1. The Council of the Issuer hereby finds and determines that it is in the best interests of the Issuer and its residents to issue not more than \$1,000,000 aggregate principal amount of its Utility Revenue Bonds, in one or more series (the "Bonds"), to bear interest at a rate or rates of not to exceed 8.0% per annum, to mature in not more than 30 years from their date or dates, and to be sold at a price not less than 98.0% of the total principal amount thereof, for the purpose of financing utility improvements, including secondary irrigation water improvements, all pursuant to this Resolution, a resolution to be adopted by the Council authorizing and confirming the issuance and sale of the Bonds (herein referred to as the "Bond Authorizing Resolution") in substantially the form attached hereto as Exhibit A, and a General Indenture of Trust dated as of February 1, 2006, and Third Supplemental Indenture of Trust to be entered into at the time of issuance of the Bonds in substantially the form attached hereto as Exhibit B (collectively, the "Indenture"), and the Issuer hereby declares its intention to issue the Bonds according to the provisions of this Resolution, the Indenture and the Bond Authorizing Resolution, when adopted.

Section 2. The Issuer hereby authorizes and approves the issuance and sale of the Bonds to the purchaser or purchasers to be identified in the Bond Authorizing

Resolution, pursuant to the provisions of this Resolution, the Indenture and the Bond Authorizing Resolution to be adopted by the Council authorizing and confirming the issuance and sale of the Bonds, with such changes thereto as shall be approved by the Council upon the adoption of the Bond Authorizing Resolution, provided that the principal amount, interest rate or rates, maturity and discount shall not exceed the maximums set forth in Section 1 hereof.

Section 3. In accordance with the provisions of the Act, the Issuer calls a public hearing to be held on January 20, 2009 at 7:00 p.m. or as soon thereafter as feasible at the Issuer's offices located at 3925 West Cedar Hills Dr. in Cedar Hills, Utah. The City Recorder shall cause the following "Notice of Public Hearing and Bonds to be Issued" to be (1) published once each week for two consecutive weeks, with the first publication not less than 14 days before the public hearing, in a newspaper of general circulation in the Issuer, and (2) posted on the Utah Public Notice Website not less than 14 days before the public hearing. The City Recorder shall also cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the Issuer's principal offices for public examination during the regular business hours of the Issuer until at least thirty (30) days from and after the last date of publication thereof. The "Notice of Public Hearing and Bonds to be Issued" shall be in substantially the following form:

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

Pursuant to the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act"), on December 9, 2008, the City Council (the "Council") of the City of Cedar Hills, Utah County, Utah (the "Issuer") adopted a resolution (the "Resolution") in which it authorized the potential issuance of the Issuer's Utility Revenue Bonds, in one or more series, in an aggregate principal amount of not more than \$1,000,000 (the "Bonds"), to bear interest at a rate or rates of not to exceed 8.0% per annum, to mature in not more than 30 years from their date or dates, and to be sold at a price not less than 98.0% of the total principal amount thereof, plus accrued interest, if any, thereon.

NOTICE IS FURTHER GIVEN that the Issuer will hold a public hearing on January 20, 2009 at 7:00 p.m. or as soon thereafter as feasible at the City offices located at 3925 West Cedar Hills Dr. in Cedar Hills, Utah. The purpose of the public hearing is to receive public input regarding the proposed issuance of the Bonds and the potential economic impact that the improvement, facility, or property for which the bonds pay all or a part of the cost will have on the private sector.

The Bonds, pursuant to the Resolution, a General Indenture of Trust dated as of February 1, 2006 and Third Supplemental Indenture of Trust (collectively, the "Indenture") and a Bond Authorizing Resolution to be adopted authorizing the sale of the Bonds, are to be issued for the purpose of (i) the acquisition and construction of utility improvements, including secondary irrigation water improvements and related improvements; (ii) funding a deposit to a debt service reserve fund, if desired, and (iii) paying issuance expenses. As utility revenue bonds, no property taxes will be pledged for repayment of the Bonds.

A copy of the Resolution, the Bond Authorizing Resolution and the Indenture are on file in the office of the City Recorder in the City offices, where they may be examined during regular business hours of the City Recorder from 8:00 a.m. to 5:00 p.m. for a period of at least 30 days from and after the last date of publication of this notice. A period of 30 days after the last date of the publication of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Bond Authorizing Resolution, the Indenture or the Bonds, or any provision made for the security and payment of the Bonds by filing a verified written complaint in the district court of the county in which he/she resides, and that after such time, no one shall have any cause of action to contest the regularity, formality or legality thereof for any cause whatsoever.

DATED this December 9, 2008.

/s/ Kim E. Holindrake
City Recorder

Section 4. This declaration is intended to be a declaration of official intent under Treasury Regulation § 1.103-18(1).

Section 5. The Council hereby retains and directs the law firm of Smith Hartvigsen, PLLC to act as Bond Counsel and to prepare a Preliminary Official Statement, if desired, with respect to the Bonds.

Section 6. The City Recorder is directed to complete the attached Record of Proceedings.

Section 7. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

APPROVED AND ADOPTED this December 9, 2008.

Mayor

ATTEST:

City Recorder

(SEAL)

RECORD OF PROCEEDINGS

The Council of the Issuer met in public session at the regular meeting place of the Council at 3925 West Cedar Hills Dr. in Cedar Hills, Utah, on December 9, 2008, at the hour of 7:00 p.m., or as soon thereafter as feasible, with the following members of the Council being present:

Michael McGee	Mayor
Charelle Bowman	Councilmember
Marisa Wright	Councilmember
Eric Richardson	Councilmember
Kenneth Kirk	Councilmember
Jim Perry	Councilmember

Also present:

Konrad Hildebrandt	City Manager
Kim E. Holindrake	City Recorder

Absent:

After the meeting had been duly called to order and after other matters were discussed, the foregoing resolution authorizing bonds (the "Resolution") was introduced in written form and fully discussed.

A motion to adopt the Resolution was then duly made by Councilmember _____ and seconded by Councilmember _____ and the Resolution was put to a vote and carried, the vote being as follows:

YEA:

NAY:

The Resolution was then signed by the Mayor in open meeting and recorded by the City Recorder in the official records of the Issuer.

CERTIFICATE OF CITY RECORDER

I, Kim E. Holindrake, the duly appointed and qualified City Recorder of the Issuer, do hereby certify that the attached Resolution is a true, accurate and complete copy thereof as adopted by the Council at a public meeting duly held on December 9, 2008 (the "Meeting"). The Meeting was called and noticed as required by law as is evidenced by the attached Certificate of Compliance with Open Meeting Law. The persons present and the result of the vote taken at the Meeting are all as shown above. The Resolution, with all exhibits attached, was deposited in my office on December 9, 2008, and is officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of the Issuer, this December 9, 2008.

(S E A L)

City Recorder

**CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW**

I, Kim E. Holindrake, the undersigned City Recorder of the Issuer, do hereby certify, according to the records of the Issuer in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than 24 hours public notice of the agenda, date, time and place of the December 9, 2008, public meeting, held by the Issuer as follows:

(a) By causing a Meeting Notice, in the form attached, to be posted at the Issuer's principal offices, at least 24 hours before the convening of the meeting, the Meeting Notice having continuously remained posted and available for public inspection until the completion of the meeting; and

(b) By causing a copy of the Meeting Notice to be delivered to a newspaper of general circulation in the Issuer at least 24 hours prior to the convening of the meeting.

(c) By causing a copy of the Meeting Notice to be posted on the Utah Public Notice Website at least 24 hours prior to the convening of the meeting.

In addition, the Notice of 2008 Annual Meeting Schedule for the Issuer, attached hereto, specifying the date, time and place of the regular meetings of the Council to be held during the 2008 calendar year was posted on December 9, 2007, at the principal office of the Council and provided to at least one newspaper of general circulation within the Issuer on December 9, 2007.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this December 9, 2008.

City Recorder

(S E A L)

(Attach Meeting Notice)

(Attach proof of Web posting Meeting Notice)

(Attach Notice of 2008 Annual Meeting Schedule)

(Attach Proof of Publication and Web posting of Notice of Public Hearing and Bonds to
be Issued)

EXHIBIT A

FORM OF BOND AUTHORIZING RESOLUTION

(See Transcript Document No. ____)

EXHIBIT B

GENERAL INDENTURE AND FORM OF THIRD SUPPLEMENTAL INDENTURE

(See Transcript Document Nos. ___ and ___)

THIRD SUPPLEMENTAL INDENTURE OF TRUST

Dated as of [_____], 2009

by and between

CITY OF CEDAR HILLS, UTAH COUNTY, UTAH

and

U.S. Bank National Association
as Trustee

and supplementing

General Indenture of Trust

Dated as of February 1, 2006

THIRD SUPPLEMENTAL INDENTURE OF TRUST

This Third Supplemental Indenture of Trust, dated as of [_____], 2009, by and between the City of Cedar Hills, Utah County, Utah, a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah (the “Issuer”) and U.S. Bank National Association, authorized by law to accept and execute trusts and having its principal office in Salt Lake City, Utah, as trustee (the “Trustee”);

W I T N E S S E T H:

WHEREAS, the Issuer has entered into a General Indenture of Trust, dated as of February 1, 2006 (the “General Indenture”), with the Trustee; and

WHEREAS, the Issuer desires to issue its Series 2009 Bonds herein defined to (i) acquire and construct utility improvements, including secondary irrigation water improvements (the “Project”), and related municipal improvements, and (ii) pay issuance expenses to be incurred in connection with the issuance and sale of the Series 2009 Bonds; and

WHEREAS, the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, authorizes the issuance of non-voted revenue bonds payable from the revenues of cities, towns or counties; and

WHEREAS, based upon the information available to the Issuer, the Net Revenues (as defined in the Indenture) will produce sufficient funds to pay the debt service on the Series 2009 Bonds; and

WHEREAS, the Issuer has determined that it is in the best interests of the citizens of the Issuer to issue the Series 2009 Bonds to finance the costs of the Project; and

WHEREAS, _____ (the “Purchaser”) has agreed to purchase the Series 2009 Bonds; and

WHEREAS, the Series 2009 Bonds will be authorized, issued and secured under the General Indenture, as amended and supplemented by this Third Supplemental Indenture (the “Third Supplemental Indenture”, collectively with the General Indenture, and any amendments thereto or hereto, the “Indenture”); and

WHEREAS, the execution and delivery of the Series 2009 Bonds and of this Third Supplemental Indenture have in all respects been duly authorized and all things necessary to make the Series 2009 Bonds, when executed by the Issuer and authenticated by the Trustee, the valid and binding legal obligations of the Issuer and to make this Third Supplemental Indenture a valid and binding agreement have been done;

NOW, THEREFORE, THIS THIRD SUPPLEMENTAL INDENTURE OF TRUST WITNESSETH, that to secure the Bonds, including the Series 2009 Bonds, and all Additional Bonds issued and Outstanding under the Indenture, the payment of the

principal or redemption price thereof and interest thereon, the rights of the Registered Owners of the Bonds, to secure the Security Instrument Issuers of Security Instruments for any Bonds, and of all Reserve Instrument Providers of Reserve Instruments for any Bonds, and the performance of all of the covenants contained in such Bonds and herein, and for and in consideration of the mutual covenants herein contained and of the purchase of such Bonds by the Registered Owners thereof from time to time and the issuance of the Reserve Instrument by the Reserve Instrument Provider, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer has executed and delivered this Third Supplemental Indenture of Trust, and does, in confirmation of the General Indenture, as amended and supplemented, hereby sell, assign, transfer, set over and pledge unto U.S. Bank National Association, as Trustee, its successors and trusts and its assigns forever, to the extent provided in the General Indenture, as amended and supplemented, all right, title and interest of the Issuer in and to (i) the Net Revenues (as defined in the General Indenture), (ii) all moneys in funds and accounts held by the Trustee under the General Indenture and hereunder (except the Rebate Fund), and (iii) all other rights granted under the General Indenture and hereinafter granted for the future securing of such Bonds.

TO HAVE AND TO HOLD THE SAME unto the Trustee and its successors in trust hereby created and its and their assigns forever;

IN TRUST, NEVERTHELESS, FIRST, for the equal and ratable benefit and security of all present and future Registered Owners of Bonds and Security Instrument Issuers without preference, priority, or distinction as to lien or otherwise (except as otherwise specifically provided), of any one Bond or Security Instrument Issuer over any other Bond, and SECOND, for the equal and proportionate benefit, security and protection of all Reserve Instrument Providers, without privilege, priority or distribution as to the lien or otherwise of any Reserve Instrument Repayment Obligation over any of the others by reason of time of issuance, delivery or expiration thereof or otherwise for any cause whatsoever.

ARTICLE I

SUPPLEMENTAL INDENTURE; DEFINITIONS

Section 1.1 Supplemental Indenture. This Third Supplemental Indenture is supplemental to, and is adopted in accordance with and pursuant to Articles II and IX of the General Indenture.

Definitions. All terms which are defined in the General Indenture, shall have the meanings, respectively, herein (including the use thereof in the recitals and the granting clauses thereof) unless expressly given a different meaning or unless the context clearly otherwise requires. All terms used herein which are defined in the recitals hereto shall have the meanings therein given to the same unless the context requires otherwise and, in addition, the following terms shall have the meanings specified below:

“Code” means the Internal Revenue Code of 1986, as amended.

“Debt Service Reserve Fund Requirement” means \$_____, which amount is no more than the least of (1) the maximum annual debt service on the Series 2009 Bonds, (2) 10% of the face value of the Series 2009 Bonds, or (3) 1.25 times the average annual debt service on the Series 2009 Bonds.

“Exchange Bonds” means the fully registered Series 2009 Bonds issued in substantially the form set forth in Exhibit A-2 in exchange for the State Bonds representing the Series 2009 Bonds or in exchange for other Exchange Bonds, in the denomination of \$1,000 or any integral multiple thereof.

“Fully Registered Bond” means any single fully registered Bond in a denomination equal to the aggregate amount of the Series 2009 Bonds authorized herein.

“Outstanding Bonds” means the Issuer’s Utility Revenue and Refunding Bonds, Series 2006 and the Issuer’s Utility Revenue Bonds, Series 2007.

“Project” means the acquisition and construction of utility improvements, including secondary irrigation water improvements.

“Purchaser” means _____, or any successor agency thereof.

“Register” means the record of ownership of the Series 2009 Bonds maintained by the Registrar.

“Reserve Fund Installment” means \$_____.

“Series 2009 Bonds” means the Issuer’s \$_____ Utility Revenue Bonds, Series 2009, herein authorized.

“Series 2009 Construction Subaccount” means the subaccount established within the Construction Fund under the General Indenture held in trust by the Trustee, into

which a portion of the proceeds of the Series 2009 Bonds shall be deposited as provided herein.

“Series 2009 Debt Service Reserve Subaccount” means the subaccount established within the Debt Service Reserve Fund under the General Indenture held in trust by the Trustee.

“State Bonds” means the fully registered Series 2009 Bonds issued in substantially the form set forth in Exhibit A-1 in the denominations equal to the aggregate principal amount of each such Series of Bonds.

“Total Principal Sum” shall have the meaning attributed to it in Exhibit A-1.

ARTICLE II

ISSUANCE OF THE SERIES 2009 BONDS

Section 2.1Principal Amount, Designation and Series. The Series 2009 Bonds are hereby authorized for issuance under the Indenture for the purpose of providing funds to finance (i) the costs of acquiring and constructing the Project, and (ii) the costs of issuance of the Series 2009 Bonds. The Series 2009 Bonds shall be limited to \$_____ in aggregate principal amount, shall be issued, (i) if issued as a State Bond, in the form set forth in Exhibit A-1 and (ii) if issued as Exchange Bonds, in the form set forth in Exhibit A-2, in fully registered form, shall bear interest from the initial delivery date thereof at the rate of ___% per annum on the unpaid balance of the Total Principal Sum and shall be payable as specified herein. If issued as Exchange Bonds, the Series 2009 Bonds shall be in the denomination of \$1,000 or any integral multiple thereof. The Series 2009 Bonds shall be numbered from one (1) consecutively upward in order of delivery by the Registrar. The Series 2009 Bonds shall be designated as, and shall be distinguished from the Bonds of all other series by the title, "Utility Revenue Bonds, Series 2009".

The Series 2009 Bonds are issued on parity with the Issuer's Outstanding Bonds such that the Series 2009 Bonds and the Outstanding Bonds are equally and ratably secured by a pledge of and lien on the Net Revenues of the Issuer's System.

The Series 2009 Bonds shall be in such form as to permit the Purchaser to make incremental advances on its total loan commitment to the Issuer during the period of acquisition and construction of the Project.

Section 2.2Advances 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 Purchaser, the Issuer shall provide to the Purchaser a certificate setting forth a schedule of the costs of construction which the Issuer estimates will become due and payable by the Issuer during the next calendar quarter. Advances made by the Purchaser on the basis of such certificates shall be deposited in the Series 2009 Construction Subaccount. Upon receipt of evidence of deposit of each advance in the Series 2009 Construction Subaccount, the Mayor, Finance Director or City Manager of the Issuer shall give telephonic authorization followed by written confirmation to the Purchaser to stamp or write the date and amount of such advance made by the Purchaser in the appropriate place on the Certificate of Dates of Payment and Amount appearing on the State Bonds. Each advance made by the Purchaser on the State Bonds shall constitute proceeds of the State Bonds and shall be deemed to constitute the full purchase price of the corresponding principal amount 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 Purchaser, they shall be deemed to represent principal payments in the order of their maturity. A lender's discount in the amount of \$_____ shall constitute and be deemed to be an advance made by the Purchaser and shall constitute and be deemed to be included in the full purchase price of the corresponding principal amount of the State Bonds noted on the Certificate of Dates of Payment and Amount appearing on the State Bonds.

Section 2.3Date and Maturities. The Series 2009 Bonds shall be dated as of their date of delivery and shall be paid as provided in this Section 2.3. The Series 2009 Bonds shall be initially issued as one fully registered State 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 Series 2009 Bond at the offices of the Paying Agent for endorsement or surrender. Payment of interest on the Series 2009 Bonds shall be made to the Registered Owner thereof by check or draft mailed to the Registered Owner at his or her 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.

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

Interest shall be payable on March 1 of each year beginning March 1, 20__, and the Total Principal Sum shall be payable on March 1 of each year, beginning March 1, 20__, as follows:

Maturity Date <u>(March 1)</u>	<u>Principal Amount</u>
-----------------------------------	-------------------------

If less than \$ _____, constituting the combined sum of a lender's discount in the amount of \$ _____ and \$ _____ in maximum bond proceeds, is advanced on the Series 2009 Bonds, the repayment period shall be shortened and the number of annual principal installments shall be reduced in inverse order of principal payment (and the amount of the final remaining principal installment shall be reduced, if required) to correspond to the Total Principal Sum of the Series 2009 Bonds.

Section 2.4Execution of Bonds. The Mayor is hereby authorized to execute by facsimile or manual signature the Series 2009 Bonds and the City Recorder to countersign by facsimile or manual signature the Series 2009 Bonds and to have imprinted, stamped or otherwise placed on the Series 2009 Bonds a facsimile of the official seal of the Issuer, and the Trustee shall manually authenticate the Series 2009 Bonds upon payment of the first incremental advance thereon.

Section 2.5Designation of Registrar. The Trustee is hereby designated as Registrar for the Series 2009 Bonds, which approval shall be evidenced by a written acceptance from the Registrar.

Section 2.6Designation of Paying Agent. The Trustee is hereby designated as Paying Agent for the Series 2009 Bonds, which approval shall be evidenced by a written acceptance from the Paying Agent

Section 2.7Limited Obligation. The Series 2009 Bonds, together with interest thereon, shall be limited obligations of the Issuer payable solely from the Net Revenues (except to the extent paid out of moneys attributable to the Series 2009 Bond proceeds or other funds created hereunder or under the Indenture or the income from the temporary investment thereof). The Series 2009 Bonds are not general obligations of the Issuer or State of Utah or any agency, instrumentality, or political subdivision thereof.

Section 2.8Delinquent Payment. Payments on the Series 2009 Bonds which are delinquent shall accrue interest at the rate of eighteen percent (18%) per annum on the delinquent payment from the due date thereof until paid in full.

Section 2.9Exchange of State Bonds. As long as the Purchaser is the sole Registered Owner of the Series 2009 Bonds, the Series 2009 Bonds shall be issued only as the State Bonds in the form prescribed in Exhibit A-1. It is recognized that the Purchaser may sell or otherwise transfer the Series 2009 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 Purchaser determines to sell or otherwise transfer all or a portion of the Series 2009 Bonds pursuant to the State Financing Consolidation Act, or otherwise, the State Bonds shall be exchanged at the office of the Paying Agent for a like aggregate principal amount of Exchange Bonds in accordance with the provisions of this Section 2.9 and 2.10. Any Series 2009 Bond, or any portion thereof, which is sold or otherwise transferred or liquidated by the Purchaser pursuant to the State Financing Consolidation Act, or otherwise, shall be in the form of an Exchange Bond prescribed in Exhibit A-2, and shall be executed pursuant to authorization contained in Section 2.4 hereof. Each principal payment on the State

Bonds not previously paid or canceled shall be represented by an equivalent principal amount of Exchange 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 State Bonds for Exchange Bonds, provided that the Purchaser 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.

Section 2.10 Registration and Transfer of the Series 2009 Bonds; Persons Treated as Owners. The Issuer shall cause books for the registration and for the transfer of the Series 2009 Bonds to be kept by the Registrar. Any Series 2009 Bond may be transferred only upon the registration books kept by the Registrar by the Registered Owner, in person or by his or her duly authorized attorney, upon surrender of such Series 2009 Bond for cancellation, accompanied by a duly executed instrument of transfer in a form approved by the Registrar. No transfer shall be effective until entered on the registration books kept by the Registrar. Upon the surrender for transfer of any Series 2009 Bond as provided above, the Issuer shall execute and deliver in the name of the transferee or transferees, a new Series 2009 Bond of the same maturity and series for a like aggregate principal amount as the Series 2009 Bonds surrendered for transfer. Series 2009 Bonds may be exchanged at the office of the Registrar for a like aggregate principal amount of Series 2009 Bonds of the same series or other authorized denominations and the same maturity. The execution by the Issuer of any Series 2009 Bond of any authorized denomination shall constitute full and due authorization of such denomination, and the Registrar shall thereby be authorized to deliver such Series 2009 Bond. The Registrar shall not be required to transfer or exchange any Exchange Bond at any time following the mailing of notice calling such Series 2009 Bond for redemption.

Series 2009 Bonds surrendered for payment, redemption or exchange, shall be promptly canceled and destroyed by the Issuer.

The Issuer, the Registrar and the Paying Agent may treat and consider the person in whose name each Series 2009 Bond is registered on the registration books kept by the 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 for all other purposes whatsoever, and neither the Issuer, the Registrar nor the Paying Agent shall be affected by any notice to the contrary. Payment of any Series 2009 Bond shall be made only to or upon order of the Registered Owner thereof or his or her legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability of such Series 2009 Bond to the extent of the sum or sums so paid.

The Issuer may require the payment by the Registered Owner requesting an exchange or transfer of a Series 2009 Bond of any tax or other governmental charge and any service charge which are required to be paid with respect to such exchange or transfer and such charges shall be paid before a new Series 2009 Bond shall be delivered.

Section 2.11 Optional Redemption and Redemption Prices. Each principal payment of the Series 2009 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, in inverse order of the due dates thereof, and by lot selected by the Issuer if less than all of the State Bonds of a particular due date are to be redeemed, upon notice as provided in Section 2.8 of the General Indenture upon at least thirty (30) days' prior written notice to the Purchaser of the amount of prepayment and the date scheduled for prepayment, at a redemption price equal to 100% of the principal amount to be prepaid or redeemed, plus accrued interest, if any, to the date of redemption.

ARTICLE III

APPLICATION OF PROCEEDS

Section 3.1 Application of Proceeds of the Series 2009 Bonds. The Issuer shall deposit with the Trustee the incremental advance proceeds from the sale of the Series 2009 Bonds and the Trustee shall deposit such proceeds into the Series 2009 Construction Subaccount held by the Trustee under the General Indenture.

Section 3.2 Disbursements from Series 2009 Construction Subaccount. Disbursements of moneys in the Series 2009 Construction Subaccount shall be made as follows:

(a) Upon receipt from the Issuer of an executed Cost of Issuance Disbursement Request in substantially the form of Exhibit "B" attached hereto the Trustee will disburse from the Series 2009 Construction Subaccount to the parties identified on the Cost of Issuance Disbursement Request in the amounts identified therein; and

(b) Upon receipt from the Issuer of Requisitions by the Trustee, the remaining balance will be applied to reimburse the Issuer for costs of the Project. Disbursements of moneys in the Series 2009 Construction Subaccount shall be made in accordance with the provisions of Section 5.1 of the General Indenture; provided, however, that each requisition for disbursal of moneys from the Series 2009 Construction Subaccount must be approved by an authorized representative of the Purchaser. All disbursements from the Series 2009 Construction Subaccount will be subject to prior written approval of the Purchaser on the Requisitions. Any unexpended balance remaining in the Series 2009 Construction Subaccount after completion of the Project shall be paid immediately into the Bond Fund established under the General Indenture and used only for the prepayment of the Series 2009 Bonds. Principal last to become due shall be prepaid first, and if less than the entire principal amount of the Series 2009 Bonds maturing on the last due date are to be redeemed, the Trustee shall by lot select those Bonds to be prepaid.

Section 3.3 Debt Service Reserve Fund. The Debt Service Reserve Requirement shall be funded by the Issuer from Net Revenues of the System over a period not to exceed 120 months in monthly installments of an amount equal to the Reserve Fund Installment, beginning March 1, 20__ and continuing until there shall be on deposit therein the Debt Service Reserve Requirement with respect to the Series 2009 Bonds. The monthly installments of the Debt Service Reserve Requirement shall be deposited by the Trustee in the Series 2009 Debt Service Reserve Subaccount. Thereafter, the Issuer shall replenish the Debt Service Reserve Fund as provided in Sections 5.2(c) and 5.5 of the General Indenture.

Section 3.4 Capital Facilities Replacement Account. For purposes of the Series 2009 Bonds, the Capital Facilities Replacement Account shall be funded from the

Revenue Fund as a repair and replacement account as provided in Sections 5.2(d) and 5.7 of the General Indenture and as set forth in Section 4.1(g) herein.

Section 3.5 Series 2009 Bonds as Additional Bonds. The Series 2009 Bonds are issued as Additional Bonds under the Indenture. The Issuer hereby certifies that the requirements set forth in Section 2.13 of the General Indenture have been and will be complied with in connection with the issuance of the Series 2009 Bonds.

ARTICLE IV

Section 4.1 Additional Covenants With Respect to Series 2009 Bonds. The Issuer hereby covenants and agrees with each and every holder of the Series 2009 Bonds issued hereunder the following:

(a) So long as any Installments on the Series 2009 Bonds remain outstanding, proper books of record and account will be kept by the Issuer separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Project. Each Bondholder or any duly authorized agent or agents of such holder shall have the right at all reasonable times to inspect all records, accounts and data relating thereto and to inspect the Project and all properties constituting the Project. Except as otherwise provided herein, the Issuer further agrees that it will within one hundred eighty (180) days following the close of each fiscal year (the term "fiscal year" as used in this subsection meaning whatever twelve-month period the Issuer may from time to time be using for general financial accounting purposes) cause an audit of such books and accounts to be made by an independent firm of certified public accounts, showing the receipts and disbursements for account of the Project, and that such audit will be available for inspection by each Bondholder; provided, however, during such periods of time as the Purchaser is the registered holder of the Series 2009 Bonds, each such audit will be supplied to the Purchaser as soon as completed without prior request therefor by the Purchaser. Each such audit, in addition to whatever matters may be thought proper by the accountant to be included therein, shall include the following:

(i) A statement in detail of the revenues and expenditures of the System for such fiscal year;

(ii) A balance sheet as of the end of such fiscal year;

(iii) The accountant's comments regarding the manner in which the Issuer has carried out the requirements of this Third Supplemental Indenture, and the accountant's recommendations for any change or improvement in the operation of the System;

(iv) The number of parcels of property connected to the System at the end of the fiscal year;

(v) An analysis of all funds created in the General Indenture, setting out all deposits and disbursements made during the fiscal year and the amount in each fund at the end of the fiscal year;

(vi) The number of utility connections and applications for utility service on hand at the end of the fiscal year;

(vii) The total billings for such fiscal year;

(viii) All schedules of rates and charges imposed for utility service during the fiscal year;

(ix) Notification of the withdrawal of any major system users (defined as a user paying 4% or more of the Revenues) since the last reporting date; and

(x) Since the last reporting date, any significant plant retirements or expansions planned or undertaken.

(b) In addition to the reporting requirements set forth in subsection 4.1(a) above, the Issuer shall submit to the Purchaser within one hundred eighty (180) days following the close of the Issuer's fiscal year, a summary report substantially in the form as provided by the Purchaser to the Issuer upon purchase of the Series 2009 Bonds.

(c) All expenses incurred in compiling the information required by this section shall be regarded and paid as an Operation and Maintenance Expense. If the holder of the Series 2009 Bonds is other than the Purchaser, the Issuer agrees to furnish a copy of such information to such Bondholder at its request after the close of each fiscal year. Any Bondholder shall have the right to discuss with the accountant compiling such information the contents thereof and to ask for such additional information as it may reasonably require.

(d) Every officer, agent or employee of the Issuer having custody or control of any of the Revenues or of the proceeds of the Series 2009 Bonds shall be bonded by a responsible corporate surety in an amount not less than the greatest amount reasonably anticipated to be within the custody or control of such officer, agent or employee at one time. The premiums on such surety bonds shall not be an Operation and Maintenance Expense of the System.

(e) The Issuer shall commence and complete the acquisition and construction of the Project with all practical dispatch and will cause all construction to be effected in a sound and economical manner.

(f) The Issuer will maintain its corporate identity, will make no attempt to cause its corporate existence to be abolished and will resist all attempts by other municipal corporations to annex all or any part of the territory now or hereafter in the Issuer or served by the System.

(g) The Issuer shall establish a Capital Facilities Replacement Account (the "Replacement Account") to be held by the Issuer and shall deposit therein an amount equal to 5% of the Issuer's annual operating budget for the System, including debt service and depreciation. The Replacement Account shall never serve as security for nor a source of the payment of principal of or interest on the Series 2009 Bonds. The Issuer shall limit the use of moneys on deposit in the Replacement Account to the acquisition and construction of (a) replacements of obsolete System equipment or facilities, (b) extensions or additions to the Issuer's

System, and (c) other capital improvements necessary to keep the System in good working condition. No disbursements shall be made from the Replacement Account unless and until the Issuer has given at least 30 days' advance written notice to the Purchaser specifying the amount of the proposed disbursement and the purpose for which the disbursement will be made. The Issuer shall not, however, be required to obtain the consent of the Purchaser prior to making any disbursement from the Replacement Account.

ARTICLE V

CONFIRMATION OF GENERAL INDENTURE

As supplemented by this Third Supplemental Indenture, and except as provided herein, the General Indenture is in all respects ratified and confirmed, and the General Indenture, and this Third Supplemental Indenture shall be read, taken and construed as one and the same instrument so that all of the rights, remedies, terms, conditions, covenants and agreements of the General Indenture shall apply and remain in full force and effect with respect to this Third Supplemental Indenture, and to any revenues, receipts and moneys to be derived therefrom.

ARTICLE VI

MISCELLANEOUS

Section 6.1 Confirmation of Sale of Series 2009 Bonds. The sale of the Series 2009 Bonds to the Purchaser at a price of \$_____ including a discount of __% (\$_____) for a net purchase price of the maximum Total Principal Sum of \$_____, is hereby ratified, confirmed and approved.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Third Supplemental Indenture of Trust to be executed as of the date first above written.

CITY OF CEDAR HILLS, UTAH
COUNTY, UTAH

By: _____
Mayor

(S E A L)

Countersigned:

City Recorder

U.S. BANK NATIONAL ASSOCIATION,
AS TRUSTEE

By: _____

Title: _____

EXHIBIT "A-1"

(FORM OF STATE BOND)

UNITED STATES OF AMERICA
STATE OF UTAH
COUNTY OF UTAH
CITY OF CEDAR HILLS
UTILITY REVENUE BOND
SERIES 2009

The City of Cedar Hills, Utah, Utah (the "Issuer"), a political subdivision and body politic of the State of Utah, acknowledges itself indebted and for value received promises to pay solely and to the extent available from the sources hereinafter provided, to the _____ (the "Purchaser") or to registered assigns last named on the Registration Certificate attached hereto (the "Registered Owner"), on the Payment Dates specified below, the Total Principal Sum set forth in the "Certificate of Dates of Payment and Amount" at the end of this Bond, but in no event more than a maximum principal amount of \$_____, payable in installments on March 1 of each year beginning on March 1, 20___, together with interest accruing from the initial delivery date hereof at the rate of ___% per annum on the unpaid principal amount of the Total Principal Sum payable on March 1 each year commencing March 1, 20___. Principal and interest on the Bond shall be payable by check or draft mailed by U.S. Bank National Association, Salt Lake City, Utah (the "Paying Agent") to the Registered Owner on each payment date as follows:

Maturity Date	Principal Amount
<u>(March 1)</u>	<u>Principal Amount</u>

Maturity Date
(March 1)

Principal Amount

If less than \$_____, constituting the combined sum of a lender's discount in the amount of \$_____ and \$_____ in maximum bond proceeds, is advanced on this Bond, the repayment period shall be shortened and the number of annual principal installments shall be reduced in inverse order of principal payment (and the amount of the final remaining principal installment shall be reduced, if required) to correspond to the Total Principal Sum.

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or upon prior 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 hereof by check or draft mailed to the Registered Owner hereof at his or her 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 the Registered Owner.

As long as the Purchaser is the registered holder of this Bond, installment payments of principal and interest shall be made by check or draft mailed to the Purchaser as the registered holder at the address shown on the registration books maintained by the Registrar.

If any installment payment of Bond principal or interest is not paid when due and payable, the Issuer shall pay interest at the rate of eighteen percent (18%) per annum from such 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 payable solely from a special fund designated "City of Cedar Hills, Utah Utility Revenue Bond Fund" established under a General Indenture of Trust dated February 1, 2006, by and between the Issuer and U.S. Bank National Association, as Trustee, (the "General Indenture") into which fund and into a reserve therefor, to the extent necessary to assure prompt payment of this Bond, shall be pledged 100% of the Net Revenues (as defined in the Indenture herein described) derived and to be derived from the operation of the Issuer's utility system (the "System"), all as more fully described and provided in the General Indenture and a Third Supplemental Indenture of Trust dated as of [_____], 2009 (the "Third Supplemental Indenture") by and between the Issuer and the Trustee and approved by the governing body of the Issuer on September 18, 2007 (collectively, the "General Indenture and the "Third Supplemental Indenture" shall be referred to herein as the "Indenture").

This Bond is issued pursuant to (i) the Indenture, and (ii) the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, for the purpose of financing the cost of acquiring and constructing certain additions and improvements to the Issuer's System. This Bond is a special limited obligation of the Issuer payable solely from the Net Revenues (as defined in the Indenture) of the System and does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Revenues of the System.

This Bond is secured by a pledge of the Net Revenues of the Issuer's System.

This Bond is issued on parity with the Issuer's Utility Revenue and Refunding Bonds, Series 2006 (the "Series 2006 Bonds") and the Issuer's Utility Revenue Bonds, Series 2007 (the "Series 2007 Bonds"), such that this Bond, the Series 2006 Bonds and the Series 2007 Bonds are equally and ratably secured by a pledge of and lien on the Net Revenues of the Issuer's System.

As provided in the Indenture, bonds, notes and other obligations may be issued from time to time in one or more series in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture, and the aggregate principal amount of such bonds, notes and other obligations which may be issued is not limited. This Bond and all other bonds, notes and other obligations issued and to be issued under the Indenture on a parity with this Bond are and will be equally and ratably secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in or pursuant to the Indenture.

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 taxation therefor 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 in inverse order of the due date of the principal installments hereof 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 the address appearing on the registration books maintained by the Issuer.

Subject to the provisions of the Indenture, 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.

The Issuer covenants and agrees that it will fix rates for utility service sufficient to pay when due this Bond and the principal and interest on all bonds issued on a priority to or parity with this Bond, if any, as the same fall due, provided such rates must be reasonable rates for the type, kind and character of the service rendered, and will collect and account for the Revenues (as defined in the Indenture) to be received for such service, and will set aside one hundred percent (100%) of the Net Revenues of the System to pay this Bond according to the payment terms hereinabove set forth and the principal and interest on all bonds issued on a parity with this Bond, if any.

To the extent and in the respects permitted by the Indenture, the Indenture 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 Indenture. The holder or owner of this Bond shall have no right to enforce the provisions of the Indenture 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 Indenture or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

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

It is hereby declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in regular and due time, form and manner as required by law, that the amount of this Bond does not exceed any limitation prescribed by the Constitution or statutes of the State of Utah, that the Net Revenues to be derived from the operation of the System have been pledged and that an amount therefrom will be set aside into a special fund by the Issuer sufficient for the prompt payment of this Bond and all bonds issued on a parity with this Bond, if any, and that the Net Revenues are not pledged, hypothecated or anticipated in any way other than by the issue of this Bond and all bonds issued on a parity with this Bond, if any. This Bond shall be incontestable for any reason whatsoever after the delivery hereof for value.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication on this Bond shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by its Chair and countersigned by its District Clerk under the corporate seal of said Issuer this _____, 2009.

(Facsimile or manual signature)

Mayor

Countersigned:

(Facsimile or manual signature)

City Recorder

(S E A L)

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Utility Revenue Bonds, Series 2009 of the City of Cedar Hills, Utah County, Utah.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
(Manual Signature)
Authorized Officer

Date of Authentication: _____

REGISTRATION CERTIFICATE

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

<u>Date of Registration</u>	<u>Name of Registered Owner</u>	<u>Signature of Bond Registrar</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

CERTIFICATE OF DATES OF PAYMENT AND AMOUNT

The undersigned authorized representative of the _____ (the “Board”), hereby certifies that the Board has received written authorization from the Finance Director or City Manager of the Issuer to stamp or write the amount or amounts indicated below on the date or dates 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 for 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.

<u>Amount of Payment</u>	<u>Date of Payment</u>	<u>Total Principal Sum</u>	<u>Board Representative Signature</u>
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____
\$ _____	_____	\$ _____	_____

EXHIBIT A-2

FORM OF EXCHANGE BOND

UNITED STATES OF AMERICA
STATE OF UTAH
COUNTY OF UTAH
CITY OF CEDAR HILLS
UTILITY REVENUE BONDS, SERIES 2009

INTEREST RATE	MATURITY DATE	ISSUE DATE
2.71%	March 1, 20__	October __, 2007

Registered Owner: _____

Principal Amount: _____

The City of Cedar Hills, Utah County, 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, upon presentation and surrender thereof, the Principal Amount identified above. Interest at the Interest Rate specified above on the Principal Amount hereof (calculated on the basis of a year of 360 days comprised of twelve 30-day months) shall be mailed by U.S. Bank National Association, Salt Lake City, Utah ("Paying Agent"), to the Registered Owner hereof beginning March 1, 20__ and on each March 1 thereafter until this Bond is paid in full. Principal and redemption price of this Bond shall be payable upon presentation of this Bond to U.S. Bank National Association, Salt Lake City, Utah ("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 of principal and/or interest at the rate of eighteen percent (18%) per annum from the due date thereof until paid in full.

This Bond is secured by a pledge of the Net Revenues of the Issuer's System, as more fully described in the Indenture defined below.

This Bond is issued on parity with the Issuer's Utility Revenue and Refunding Bonds, Series 2006 (the "Series 2006 Bonds") and Utility Revenue Bonds, Series 2007,

such that this Bond, the Series 2006 Bonds and the Series 2007 Bonds are equally and ratably secured by a pledge of and lien on the Net Revenues of the Issuer's System.

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 Utility Revenue Bonds, Series 2009 dated _____, 2007, in the total principal sum of \$ _____ (the "Series 2009 Bonds"), authorized by a General Indenture of Trust dated as of February 1, 2006, and a Third Supplemental Indenture of Trust dated as of [_____], 2009, between the Issuer and U.S. Bank National Association, as Trustee (collectively, the "Indenture") pursuant to a resolution adopted _____. This Bond and the issue of Bonds of which it is a part is issued pursuant to (i) the Indenture and (ii) the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated, 1953, as amended, for the purpose of financing the cost of constructing improvements to the Issuer's utility system (the "System"), together with related additions and improvements. This Bond is a special limited obligation of the Issuer payable solely from the Net Revenues (as defined in the Indenture) of the System and does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Net Revenues of the System.

As provided in the Indenture, bonds, notes and other obligations may be issued from time to time in one or more series in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture, and the aggregate principal amount of such bonds, notes and other obligations which may be issued is not limited. This Bond and all other bonds, notes and other obligations issued and to be issued under the Indenture on a parity with this Bond are and will be equally and ratably secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in or pursuant to the Indenture.

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 taxation therefor or to make any appropriation for its payment.

The Series 2009 Bonds are subject to redemption prior to maturity at any time, in whole or in part (if in part, in integral multiples of \$1,000), at the election of the Issuer in inverse order of maturity and by lot within each maturity if less than the full amount is redeemed, upon not less than thirty (30) days' nor more than sixty (60) days' prior notice, at a redemption price equal to 100% of the principal amount of each Bond to be redeemed. Notice of redemption shall be mailed by the Issuer, postage prepaid, to the Registered Owners of the Series 2009 Bonds to be redeemed, addressed to such owners at the address appearing on the registration books maintained by the Registrar (as defined below).

Subject to the provisions of the Indenture, the Series 2009 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 or any integral multiple thereof.

The Issuer covenants and agrees that it will fix rates for utility service sufficient to pay this Bond when due and principal and interest on all bonds issued on a priority to or parity with this Bond, if any, as the same fall due, provided such rates must be reasonable rates for the type, kind and character of the service rendered, and will collect and account for the Revenues (as defined in the Indenture) to be received for such service, and will set aside one hundred percent (100%) of the Net Revenues of the System to pay this Bond according to the payment terms hereinabove set forth and the principal and interest on all bonds issued on a parity with this Bond, if any.

To the extent and in the respects permitted by the Indenture, the Indenture 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 Indenture. The Registered Owner of this Bond shall have no right to enforce the provisions of the Indenture 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 Indenture or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

This Bond is transferable by the Registered Owner hereof in person or by his or her attorney duly authorized in writing at the office of the Trustee (the "Registrar") but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

It is hereby certified, recited and declared that all conditions, acts and things essential to the validity of this Bond and the issue of which it forms a part do exist, have happened and have been done, and that every requirement of law affecting the issue hereof has been duly complied with; that this Bond and the issue of which it forms a part do not exceed any limitation prescribed by the Constitution and laws of the State of Utah; that one hundred percent (100%) of the Net Revenues to be derived from the operation of the System, including any future improvements, additions and extensions thereto, have been pledged and will be set aside into a special fund by the Issuer to be used for the payment of this Bond and the issue of which it forms a part and all bonds issued on a parity with this Bond, if any, and that the Net Revenues of the System are not pledged, hypothecated or anticipated in any way other than by the issue of Series 2009 Bonds of which this Bond is one and all bonds issued on a parity with this Bond, if any. This Bond shall be incontestable for any reason whatsoever after the delivery hereof for value.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication on this Bond shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by its Chair and countersigned by its City Recorder with the seal of said Issuer affixed, all as of the ____ day of _____, 2009.

By /s/ (Do Not Sign) _____
Chair

COUNTERSIGNED:

/s/ (Do Not Sign) _____
District Clerk

(S E A L)

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Utility Revenue Bonds, Series 2009 of the City of Cedar Hills, Utah County, Utah.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By _____
Authorized Officer

Date of Authentication:

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 S.E.C. RULE 17Ad-15.

EXHIBIT "B"

COST OF ISSUANCE DISBURSEMENT REQUEST

U.S. Bank National Association
15 W. South Temple, Suite 200
Salt Lake City, Utah 84101

Pursuant to Section 3.2 of the Third Supplemental Indenture of Trust dated as of [____], 2009, you are hereby authorized to pay to the following costs of issuance from the Series 2009 Construction Subaccount:

(See Attached Schedule)

CITY OF CEDAR HILLS, UTAH
COUNTY, UTAH

By: _____
Mayor

Approved By

STATE OF UTAH DEPARTMENT OF
ENVIRONMENTAL QUALITY, DRINKING WATER
BOARD

By: _____
Its: _____

Costs of Issuance

<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
Lewis Young Robertson & Burningham, Inc.	Financial Advisor	
Smith Hartvigsen, PLLC	Bond Counsel	
U.S. Bank National Association	Trustee	
City of Cedar Hills	Misc. Reimbursement	
TOTAL		