

West Valley, Utah

October 18, 2022

The Board of Trustees ("Board") of Granger-Hunter Improvement District, Utah (the "Issuer") met in regular public session at the regular meeting place of the Board, on Tuesday, October 18, 2022, at the hour of 3:00 p.m., with the following members of the Board being present:

Debra Armstrong	Chair
Corey Rushton	Trustee
Roger Nordgren	Trustee

Also present:

Jason Helm	General Manager/Treasurer
Austin Ballard	Controller/Clerk

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the Controller/Clerk presented to the Board a Certificate of Compliance with Open Meeting Law with respect to this October 18, 2022, meeting, a copy of which is attached hereto as Exhibit A.

The following resolution was then introduced in written form, was fully discussed, and pursuant to motion duly made by Trustee Roger Nordgren and seconded by Trustee Debra Armstrong, was adopted by the following vote:

AYE: Roger Nordgren  
Debra Armstrong  
Corey Rushton

NAY:

The resolution is as follows:

RESOLUTION NO. 2022-10-18.1

A RESOLUTION OF THE BOARD OF TRUSTEES OF GRANGER-HUNTER IMPROVEMENT DISTRICT, UTAH (THE "ISSUER"), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$14,000,000 AGGREGATE PRINCIPAL AMOUNT OF WATER AND SEWER REVENUE BONDS, SERIES 2022 (TO BE ISSUED IN ONE OR MORE SERIES AND WITH SUCH OTHER SERIES OR TITLE AS MAY BE DETERMINED) (THE "BONDS"); FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE ISSUER THE AUTHORITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PROVIDING FOR THE PUBLICATION OF A NOTICE OF PUBLIC HEARING AND A NOTICE OF BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD AND SETTING OF A PUBLIC HEARING DATE; AUTHORIZING AND APPROVING THE EXECUTION OF A SUPPLEMENTAL INDENTURE AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; EXPRESSING AN INTENT TO REIMBURSE; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the Board of Trustees (the "Board") of Granger-Hunter Improvement District, Utah (the "Issuer") desires to (a) finance all or a portion of the costs of construction of improvements to its water system (the "System"), including, but not limited to the replacement of waterlines and construction of a pump station and all related improvements (collectively, the "Project") and (b) pay costs of issuance with respect to the Bonds herein described; and

WHEREAS, to accomplish the purposes set forth in the preceding recital, and subject to the limitations set forth herein, the Issuer desires to issue its Water and Sewer Revenue Bonds, Series 2022 (to be issued from time to time as one or more series and with such other series or title designation(s) as may be determined by the Issuer) (collectively, the "Bonds"), pursuant to (a) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Act"), (b) this Resolution, and (c) a General Indenture of Trust (the "General Indenture"), and a Supplemental Indenture (the "Supplemental Indenture" and together with the General Indenture, the "Indenture"), in substantially the form presented to the meeting at which this Resolution was adopted and which is attached hereto as Exhibit B; and

WHEREAS, the State of Utah Department of Environmental Quality, Drinking Water Board (the "Drinking Water Board") has offered to purchase the Bonds; and

WHEREAS, the Act provides that prior to issuing bonds, an issuing entity must (a) give notice of its intent to issue such bonds and (b) hold a public hearing to receive input from the public with respect to (i) the issuance of the bonds and (ii) the potential economic impact that the improvement, facility or property for which the bonds pay all or part of the cost will have on the private sector; and

WHEREAS, the Issuer desires to call a public hearing for this purpose and to publish a notice of such hearing with respect to the Bonds, including a notice of bonds to be issued, in compliance with the Act; and

WHEREAS, in order to allow the Issuer flexibility in setting the pricing date of the Bonds to optimize debt service costs to the Issuer, the Board desires to grant to either the Chair (or Chair Pro Tem or similarly authorized officer, collectively, the "Chair"), or the General Manager (collectively, the "Designated Officers"), the authority to (a) approve the principal amounts, interest rates, terms, maturities, redemption features, and purchase price at which the Bonds shall be sold and (b) make any changes with respect thereto from those terms which were before the Board at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the "Parameters");

NOW, THEREFORE, it is hereby resolved by the Board of Granger-Hunter Improvement District, Utah, as follows:

Section 1. For the purpose of (a) financing the Project and (b) paying costs of issuance of the Bonds, the Issuer hereby authorizes the issuance of the Bonds which shall be designated "Granger-Hunter Improvement District, Utah Water and Sewer Revenue Bonds, Series 2022" (to be issued from time to time as one or more series and with such other series or title designation(s) as may be determined by the Issuer) in the aggregate principal amount of not to exceed \$14,000,000. The Bonds shall mature in not more than thirty-five (35) years from their date or dates, shall be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, shall bear a hardship grant assessment at a rate or rates of not to exceed 2.50% per annum, as shall be approved by the Designated Officers, all within the Parameters set forth herein.

Section 2. The Designated Officers are hereby authorized to specify and agree as to the method of sale, the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Bonds for and on behalf of the Issuer, provided that such terms are within the Parameters set by this Resolution.

Section 3. The Indenture in substantially the form presented to this meeting and attached hereto as Exhibit B is hereby authorized, approved, and confirmed. The Chair and Controller/Clerk are hereby authorized to execute and deliver the Indenture in substantially the form and with substantially the content as the form presented at this meeting for and on behalf of the Issuer, with final terms as may be established by the Designated Officers within the Parameters set forth herein, and with such alterations, changes or additions as may be necessary or as may be authorized by Section 5 hereof.

Section 4. The Designated Officers or other appropriate officials of the Issuer are authorized to make any alterations, changes or additions to the Indenture, the Bonds or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Bonds (within the Parameters set by this Resolution), to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Board or the provisions of the laws of the State of Utah or the United States.

Section 5. The form, terms, and provisions of the Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Chair and the Controller/Clerk are hereby authorized and directed to execute and seal the Bonds. The signatures of the Chair and the Controller/Clerk may be by facsimile or manual execution.

Section 6. The Designated Officers or other appropriate officials of the Issuer are hereby authorized and directed to authenticate and deliver the Bonds in accordance with the provisions of the Indenture.

Section 7. Upon their issuance, the Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Bonds and the Indenture. No provision of this Resolution, the Indenture, the 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 8. The Designated Officers and other appropriate officials of the Issuer, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the Issuer any or all additional certificates, documents and other papers (including, without limitation, any escrow agreement permitted under the Indenture and tax compliance procedures) and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 9. After the Bonds are delivered 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 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 10. The Issuer shall hold a public hearing on November 22, 2022, to receive input from the public with respect to (a) the issuance of the Series 2022 Bonds, and (b) the potential economic impact that the improvements to be financed with the proceeds of the Series 2022 Bonds will have on the private sector, which hearing date shall not be less than fourteen (14) days after notice of the public hearing is first published (i) once in the Deseret News or Salt Lake Tribune, a newspaper of general circulation in the Issuer, (ii) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, and (iii) on the Utah Legal Notices website ([www.utahlegals.com](http://www.utahlegals.com)) created under Section 45-1-101, Utah Code Annotated 1953, as



amended, no less than fourteen (14) days before the public hearing date. The Controller/Clerk shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in Issuer's offices, for public examination during the regular business hours of the Issuer until at least thirty (30) days from and after the date of publication thereof. The Issuer directs its officers and staff to publish a "Notice of Public Hearing" and Bonds to be Issued" in substantially the following form:

## NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, (the "Act"), that on October 18, 2022, the Board of Trustees (the "Board") of Granger-Hunter Improvement District, Utah (the "Issuer"), adopted a resolution (the "Resolution") in which it authorized the issuance of the Issuer's Water and Sewer Revenue Bonds, Series 2022 (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Issuer) (collectively, the "Bonds") and called a public hearing to receive input from the public with respect to (a) the issuance of the Bonds and (b) any potential economic impact that the Project described herein to be financed with the proceeds of the Bonds may have on the private sector.

### TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on November 22, 2022, at the hour of 6:00 p.m. at Issuer's offices located at 2888 South 3600 West, West Valley City, Utah. The purpose of the hearing is to receive input from the public with respect to (a) the issuance of that portion of the Bonds issued under the Act and (b) any potential economic impact that the Project to be financed with the proceeds of that portion of the Bonds issued under the Act may have on the private sector. All members of the public are invited to attend and participate.

### PURPOSE FOR ISSUING THE BONDS

The Bonds will be issued for the purpose of (a) financing all or a portion of the costs of construction of improvements to its water system (the "System"), including, but not limited to the replacement of waterlines and construction of a pump station and all related improvements (collectively, the "Project") and (b) paying costs of issuance of the Bonds.

### PARAMETERS OF THE BONDS

The Issuer intends to issue the Bonds in the aggregate principal amount of not more than Fourteen Million Dollars (\$14,000,000), to mature in not more than thirty-five (35) years from their date or dates, to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, and bearing a hardship grant assessment at a rate or rates not to exceed 2.50% per annum. The Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a General Indenture of Trust and a Supplemental Indenture of Trust (together, "Indenture") which was before the Board in substantially final form at the time of the adoption of the Resolution and said Indenture is to be executed by the Issuer in such form and with such changes thereto as shall be approved by the Issuer; provided that the principal amount, interest rate or rates, maturity, and discount of the Bonds will not exceed the maximums set forth above. The Issuer reserves the right to not issue the Bonds for any reason and at any time up to the issuance of the Bonds.

## REVENUES PROPOSED TO BE PLEDGED

The Bonds are special limited obligations of the Issuer payable from the net revenues of the System.

## OUTSTANDING BONDS SECURED BY REVENUES

The Issuer currently has \$12,248,000 of bonds outstanding secured by the Revenues.

## OTHER OUTSTANDING BONDS OF THE ISSUER

Additional information regarding the Issuer's outstanding bonds may be found in the Issuer's financial report (the "Financial Report") at: <https://reporting.auditor.utah.gov/searchreport>. For additional information, including any information more recent than as of the date of the Financial Report, please contact Austin Ballard, Controller, (801) 955-2206.

## TOTAL ESTIMATED COST OF BONDS

Based on the Issuer's current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Bonds to be issued under the Act to finance the Project, if held until maturity, is \$11,958,029.44.

A copy of the Resolution and the Indenture are on file in the office of Controller/Clerk, 2888 South 3600 West, West Valley City, Utah, where they may be examined during regular business hours of the Controller/Clerk from 8:00 a.m. to 5:00 p.m. Monday through Thursday, for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Indenture or the Bonds, or any provision made for the security and payment of the Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

DATED this October 18, 2022.

\_\_\_\_\_  
/s/Austin Ballard  
Controller/Clerk

Section 11. The Issuer hereby reserves the right to opt not to issue the Bonds for any reason, including without limitation, consideration of the opinions expressed at the public hearing.

Section 12. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

Section 13. The Issuer hereby declares its intention and reasonable expectation to use proceeds of tax-exempt bonds to reimburse itself for initial expenditures for costs of the Project. The Bonds are to be issued, and the reimbursements made, by the later of 18-months after the payment of the costs or after the Project is placed in service, but in any event, no later than three years after the date the original expenditure was paid. The maximum principal amount of the Bonds which will be issued to finance the reimbursed costs of the Project is not expected to exceed \$14,000,000.

Section 14. The Authority hereby declares its intention and reasonable expectation to use proceeds of the Series 2022 Bonds to reimburse itself and/or the District for expenditures for costs of the Series 2022 Project. The Series 2022 Bonds are to be issued, and the reimbursements made, by the later of 18-months after the payment of the costs or after the Series 2022 Project is placed in service, but in any event, no later than three years after the date the original expenditure was paid. The maximum principal amount of the Series 2022 Bonds which will be issued to finance the Series 2022 Project is not expected to exceed \$14,000,000



APPROVED AND ADOPTED this October 18, 2022.

(SEAL)



By: *Rebecca K. Armstrong*  
Chair

ATTEST:

By: *[Signature]*  
Controller/Clerk

(Other business not pertinent to the foregoing appears in the minutes of the meeting.)

Upon the conclusion of all business on the Agenda, the meeting was adjourned.

(SEAL)



ATTEST:

By: \_\_\_\_\_

Controller/Clerk

By: *Adrian K. Asmundo*  
Chair

STATE OF UTAH )  
 : ss.  
COUNTY OF UTAH )

I, Austin Ballard, the duly appointed and qualified Controller/Clerk of Granger-Hunter Improvement District, Utah (the "District"), do hereby certify according to the records of the Board of Trustees (the "Board") in my official possession that the foregoing constitutes a true and correct excerpt of the minutes of the meeting of the Board held on October 18, 2022, including a resolution (the "Resolution") adopted at said meeting as said minutes and Resolution are officially of record in my possession.

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

I further certify that the Resolution, with all exhibits attached, was deposited in my office on October 18, 2022, and pursuant to the Resolution, there will be published a Notice of Public Hearing and Bonds to Be Issued no less than fourteen (14) days before the public hearing date (a) once in the Deseret News or the Salt Lake Tribune, newspapers having general circulation within the District, the affidavit of which publication will be attached upon availability, (b) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended and (c) on the Utah Legal Notices website ([www.utahlegals.com](http://www.utahlegals.com)) created under Section 45-1-101, Utah Code Annotated 1953, as amended.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said District this October 18, 2022.

(SEAL)



By:   
Controller/Clerk

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH  
OPEN MEETING LAW

I, Austin Ballard, the undersigned Controller/Clerk of Granger-Hunter Improvement District, Utah (the "District"), do hereby certify, according to the records of the District in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the October 18, 2022, public meeting held by the Board of Trustees of the District (the "Board") as follows:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the principal offices of the District on October 12, 2022, at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting;

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to the Deseret News or the Salt Lake Tribune, either directly or through the newspaper's subscription to the Utah Public Notice Website (<https://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting; and

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

In addition, the Notice of 2022 Annual Meeting Schedule for the Board (attached hereto as Schedule 2) was given specifying the date, time, and place of the regular meetings of the Board to be held during the year, by causing said Notice to be (a) posted on January 1, 2022, at the principal office of the Board, (b) provided to at least one newspaper of general circulation within the District either directly or through the newspaper's subscription to the Utah Public Notice Website, and (c) published on the Utah Public Notice Website (<http://pmn.utah.gov>) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this October 18, 2022.

(SEAL)



By: \_\_\_\_\_

Controller/Clerk



SCHEDULE 1

NOTICE OF MEETING

## **THE BOARD OF TRUSTEES OF THE GRANGER-HUNTER IMPROVEMENT DISTRICT**

*PUBLIC NOTICE* is hereby given by the Board of Trustees that Granger-Hunter Improvement District will hold a Board Meeting at 3:00 p.m. on Tuesday, October 18, 2022, at its main office located at 2888 South 3600 West, West Valley City, Utah. Trustees and members of the public are able to attend this meeting in person or electronically through [www.ghid.org](http://www.ghid.org).

### **Agenda**

#### **A. GENERAL**

1. Public Comments
2. Consider approval of the September 20, 2022 Board Meeting Minutes
3. Discuss potential conflicts of interest

#### **B. OUR COMMUNITY**

1. AWWA Intermountain Section Individual Safety Award to District employee Bailey Barnard
2. Review, discuss & consider approval of 2023 Tentative Budget
3. Consider date for Public Hearing regarding 2023 Budget, and Rate and Fee Increase
4. Consider adoption of Resolution 10-18-22.1 AUTHORIZING THE ISSUANCE AND SALE of not more than \$14,000,000 aggregate principal amount of water and sewer revenue bonds series 2022 and related matters.

#### **C. OUR TEAM**

1. Jordan Valley Water Conservancy District update
2. Central Valley Water Reclamation Facility update

#### **D. OUR OPERATIONS**

1. Fraud Risk Assessment
2. Review & discuss Financial Report for September 2022
3. Review & discuss Paid Invoice Report for September 2022
4. Meter Program Update
5. Water maintenance update
6. Consider approval of a contract with Miller Paving Inc. in the amount of \$120,875.00 to complete the 22E: Rawhide Asphalt Installation Project.
7. Consider approval for the purchase of a 2022 Ford F550 Cab and Chassis XL with crane service body from Truck Equipment Enterprises in the amount of \$157,188.30.
8. Wastewater maintenance update
9. Water supply review
10. Capital Projects update
11. Engineering Department update

#### **E. CLOSED SESSION**

#### **F. BOARD MEMBERS INPUT, REPORTS, FOLLOW-UP ITEMS OR QUESTIONS**

#### **G. CALENDAR**

1. The next board meeting will be November 22, 2022

SCHEDULE 2  
ANNUAL MEETING SCHEDULE

# 2022 Board Meeting Schedule

January 18 – 3:00 p.m.

February 15 – 3:00 p.m.

March 15 – 3:00 p.m.

April 19 – 3:00 p.m.

May 17 – 3:00 p.m.

June 21 – Strategic Planning Mtg. 8:00 a.m. / Board Mtg. 3:00 p.m.

*July 19 – 3:00 p.m. – meeting will be held if needed*

August 16 – 3:00 p.m.

September 20 – 3:00 p.m.

October 18 – 3:00 p.m.

November 22 – Board Mtg. 5:00 / Public Hearing 6:00 p.m.

December 13 – 3:00 p.m.



(attach Proof of Publication of  
Notice of Public Hearing and Bonds to be Issued)

## Kristy Johnson

---

**From:** legals@deseretnews.com  
**Sent:** Wednesday, October 19, 2022 11:48 AM  
**To:** Kristy Johnson  
**Cc:** Itapuso@deseretnews.com  
**Subject:** Order modified confirmation.

Warning! This message was sent from outside your organization and we were unable to verify the sender.

[Block sender](#)

## THANK YOU for your business.

Below are the details of your transaction. Please save this confirmation for your records.

### Job Details

Order Number:

**DN0018027**

Classification:

[Other Notices](#)

Package:

[Legals](#)

Order Cost:

\$223.44


Referral Code:

**Water and Sewer Revenue Bonds, Series 2022**

### Account Details

Granger-Hunter Improvement Dist

2888 South 3600 West

West Valley City, UT  84119

801-968-3551

[k.johnson@ghid.org](mailto:k.johnson@ghid.org)

Granger-Hunter Improvement District

### Schedule for ad number DN00180270

**Fri Oct 21, 2022**

**Deseret News Legals**

*All Zones*

## NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, (the "Act"), that on October 18, 2022, the Board of Trustees (the "Board") of Granger-Hunter Improvement District, Utah (the "Issuer"), adopted a resolution (the "Resolution") in which it authorized the issuance of the Issuer's Water and Sewer Revenue Bonds, Series 2022 (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Issuer) (collectively, the "Bonds") and called a public hearing to receive input from the public with respect to (a) the issuance of the Bonds and (b) any potential economic impact that the Project described herein to be financed with the proceeds of the Bonds may have on the private sector.

### TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on November 22, 2022, at the hour of 6:00 p.m. at Issuer's offices located at 2888 South 3600 West, West Valley City, Utah. The purpose of the hearing is to receive input from the public with respect to (a) the issuance of that portion of the Bonds issued under the Act and (b) any potential economic impact that the Project to be financed with the proceeds of that portion of the Bonds issued under the Act may have on the private sector. All members of the public are invited to attend and participate.

### PURPOSE FOR ISSUING THE BONDS

The Bonds will be issued for the purpose of (a) financing all or a portion of the costs of construction of improvements to its water system (the "System"), including, but not limited to the replacement of waterlines and construction of a pump station and all related improvements (collectively, the "Project") and (b) paying costs of issuance of the Bonds.

### PARAMETERS OF THE BONDS

The Issuer intends to issue the Bonds in the aggregate principal amount of not more than Fourteen Million Dollars (\$14,000,000), to mature in not more than thirty-five (35) years from their date or dates, to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, and bearing a hardship grant assessment at a rate or rates not to exceed 2.50% per annum. The Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a General Indenture of Trust and a Supplemental Indenture of Trust (together, "Indenture") which was before the Board in substantially final form at the time of the adoption of the Resolution and said Indenture is to be executed by the Issuer in such form and with such changes thereto as shall be approved by the Issuer; provided that the principal amount, interest rate or rates, maturity, and discount of the Bonds will not exceed the maximums set forth above. The Issuer reserves the right to not issue the Bonds for any reason and at any time up to the issuance of the Bonds.

### REVENUES PROPOSED TO BE PLEDGED

The Bonds are special limited obligations of the Issuer payable from the net revenues of the System.

### OUTSTANDING BONDS SECURED BY REVENUES

The Issuer currently has \$12,248,000 of bonds outstanding secured by the Revenues.

### OTHER OUTSTANDING BONDS OF THE ISSUER

Additional information regarding the Issuer's outstanding bonds may be found in the Issuer's financial report (the "Financial Report") at: <https://reporting.auditor.utah.gov/searchreport>. For additional information, including any information more recent than as of the date of the Financial Report, please contact Austin Ballard, Controller, (801) 955-2206.

### TOTAL ESTIMATED COST OF BONDS

Based on the Issuer's current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Bonds to be issued under the Act to finance the Project, if held until maturity, is \$11,958,029.44. A copy of the Resolution and the Indenture are on file in the office of Con-

EXHIBIT B

FORM OF INDENTURE

SIXTH SUPPLEMENTAL INDENTURE OF TRUST

Dated as of \_\_\_\_\_, 2022

by and between

GRANGER-HUNTER IMPROVEMENT DISTRICT, UTAH

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION

Supplementing the General Indenture of Trust  
Dated as of February 1, 2005

**Table of Contents**

	<b>Page</b>
<b>ARTICLE I SUPPLEMENTAL INDENTURE; DEFINITIONS</b>	
Section 1.1 <u>Supplemental Indenture</u> .....	3
Section 1.2 <u>Uniform Definitions</u> .....	3
Section 1.3 <u>Additional Definitions</u> .....	3
<b>ARTICLE II</b>	
<b>ISSUANCE OF THE SERIES 2022 BONDS</b>	
Section 2.1 <u>Principal Amount, Designation and Series</u> .....	4
Section 2.2 <u>Advances of Proceeds</u> .....	4
Section 2.3 <u>Debt Forgiveness</u> .....	5
Section 2.4 <u>Date, Payment Date and Hardship Grant Assessment</u> .....	5
Section 2.5 <u>Delinquent Payment</u> .....	7
Section 2.6 <u>Exchange of State Bonds</u> .....	7
Section 2.7 <u>Optional Redemption and Redemption Prices</u> .....	7
Section 2.8 <u>Designation of Registrar</u> .....	7
Section 2.9 <u>Designation of Paying Agent</u> .....	8
Section 2.10 <u>Limited Obligation</u> .....	8
Section 2.11 <u>Enforcement of Indenture with Respect to Series 2022 Bonds</u> .....	8
Section 2.12 <u>Perfection of Security Interest</u> .....	8
Section 2.13 <u>Series 2022 Bonds as Additional Bonds</u> .....	8
<b>ARTICLE III</b>	
<b>ADDITIONAL COVENANTS</b>	
Section 3.1 <u>Additional Covenants with Respect to the Series 2022 Bonds</u> .....	9
Section 3.2 <u>Tax Matters</u> .....	10
Section 3.3 <u>Disbursements</u> .....	11
<b>ARTICLE IV</b>	
<b>APPLICATION OF PROCEEDS AND FUNDS AND ACCOUNTS</b>	
Section 4.1 <u>Application of Proceeds of the Series 2022 Bonds</u> .....	12
Section 4.2 <u>Series 2022 Construction Account</u> .....	12
<b>ARTICLE V</b>	
<b>MISCELLANEOUS</b>	
Section 5.1 <u>Confirmation of Sale of Series 2022 Bonds</u> .....	12
Section 5.2 <u>Severability</u> .....	12

Section 5.3	<u>Counterparts</u> .....	13
Section 5.4	<u>Applicable Law</u> .....	13
Section 5.5	<u>Effective Date</u> .....	13

ARTICLE VI  
CONFIRMATION OF GENERAL INDENTURE

<u>EXHIBIT A-1</u>	(FORM OF STATE BONDS - SERIES 2022 BOND) .....	A-1
<u>EXHIBIT A-2</u>	FORM OF EXCHANGE BOND—SERIES 2022 .....	A-2
<u>EXHIBIT B</u>	COST OF ISSUANCE DISBURSEMENT REQUEST .....	B-1
<u>EXHIBIT C</u>	FORM OF REQUISITION .....	C-1



## SIXTH SUPPLEMENTAL INDENTURE OF TRUST

This Sixth Supplemental Indenture of Trust, dated as of \_\_\_\_\_, 2022, by and between the Granger-Hunter Improvement District, Utah, a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah (the "Issuer") and Zions Bancorporation, National Association, a national bank duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts and having its principal office in Salt Lake City, Utah (the "Trustee");

### WITNESSETH:

WHEREAS, the Issuer has entered into a General Indenture of Trust, dated as of February 1, 2005, as heretofore supplemented (the "General Indenture") with the Trustee; and

WHEREAS in order to (i) finance all or a portion of the costs of construction of improvements to its water system (the "System"), including, but not limited to the replacement of waterlines and construction of a pump station and all related improvements (collectively, the "Project"), and (ii) finance the costs of issuance of the Bonds herein authorized, the Issuer has determined to issue its Water and Sewer Revenue Bonds, Series 2022 in the aggregate principal amount of \$13,811,820, with \$2,811,820 in principal forgiveness, for a net repayable amount of \$11,000,000 (the "Series 2022 Bonds"); and

WHEREAS, the State of Utah Department of Environmental Quality, Drinking Water Board (the "Drinking Water Board") has agreed to purchase at par the Series 2022 Bonds upon the terms and conditions herein set forth; and

WHEREAS, the Series 2022 Bonds will be authorized, issued and secured under the General Indenture, as amended and supplemented by this Sixth Supplemental Indenture (the "Sixth Supplemental Indenture," and collectively with the General Indenture, and any amendments thereto or hereto, the "Indenture"); and

WHEREAS, the execution and delivery of the Series 2022 Bonds and of this Sixth Supplemental Indenture have in all respects been duly authorized and all things necessary to make the Series 2022 Bonds, when executed by the Issuer and authenticated by the Trustee, the valid and binding legal obligations of the Issuer and to make this Sixth Supplemental Indenture a valid and binding agreement have been done;

NOW, THEREFORE, THIS SIXTH SUPPLEMENTAL INDENTURE OF TRUST WITNESSETH, that to secure the Series 2022 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 Series 2022 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 Series 2022 Bonds and herein, and for and in consideration of the mutual covenants herein contained and of the purchase of such Series 2022 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 Sixth Supplemental Indenture of Trust, and by these presents does, in confirmation of the General Indenture, as amended and supplemented, hereby sell, assign, transfer, set over and pledge unto Zions Bancorporation, 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 further securing of such Series 2022 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 of Security Instrument for any Bonds without preference, priority, or distinction as to lien or otherwise (except as otherwise specifically provided), of any one Bond over any other Bond, and SECOND, for the equal and proportionate benefit, security and protection of all Reserve Instrument Providers, without privilege, priority or distinction 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 Sixth Supplemental Indenture is supplemental to and is executed in accordance with and pursuant to Articles II and IX of the General Indenture.

Section 1.2 Uniform Definitions. All terms which are defined in the General Indenture, shall have the meanings, respectively, when used 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.

Section 1.3 Additional Definitions. In addition, for purposes of the General Indenture and this Sixth Supplemental Indenture, the following terms shall, unless the context clearly requires otherwise, have the meanings as follows:

“Advance” means an incremental advance to the Issuer of the Series 2022 Bonds by the Drinking Water Board in accordance with this Supplemental Indenture.

“Drinking Water Board” means the State of Utah Department of Environmental Quality, Drinking Water Board, or any successor thereof.

“Hardship Grant Assessment Payment Date” means, with respect to the Series 2022 Bonds, each October 1, commencing October 1, 2023.

“Original Issue Date” means with respect to the Series 2022 Bonds, their initial date of delivery.

“Parity Bonds” means currently, the Issuer’s Outstanding Water and Sewer Revenue Bonds, Series 2019 and its Water and Sewer Revenue Refunding Bonds, Series 2021.

“Repayable Principal Amount” means the maximum principal amount of the Series 2022 Bonds payable to the Registered Owner thereof calculated by reducing the purchase price of the Series 2022 Bonds by the debt forgiveness amounts as provided in Section 2.2 and Section 2.3 hereof.

“Series 2022 Bonds” means the Water and Sewer Revenue Bonds, Series 2022, herein authorized.

“Series 2022 Construction Account” means the account with the Construction Fund established and held by the Trustee under the General Indenture

“Series 2022 Debt Service Reserve Requirement” means \$0 with respect to the Series 2022 Bonds.

“Series 2022 Project” means construction of improvements to its water system, including, but not limited to the replacement of waterlines and construction of a pump station and all related improvements.

## ARTICLE II

### ISSUANCE OF THE SERIES 2022 BONDS

Section 2.1 Principal Amount, Designation and Series. The Series 2022 Bonds are hereby authorized for issuance under the Indenture for the purpose of providing funds to (i) finance the Series 2022 Project and (ii) finance the costs of issuance of the Series 2022 Bonds. The Series 2022 Bonds shall be limited to \$13,811,820, with \$2,811,820 in principal forgiveness for a net repayable amount of \$11,000,000 shall be issued (i) if issued as a State Bond, in the form set forth in Exhibit A-1 and (ii) if issued as an Exchange Bond, in the form set forth in Exhibit A-2 in fully registered form. The Series 2022 Bonds shall bear a Hardship Grant Assessment from their Original Issue Date at the rate of .50% per annum on the unpaid principal balance of the Series 2022 Bonds which shall be payable commencing October 1, 2023, until the Series 2022 Bonds are paid in full. If issued as Exchange Bonds, the Series 2022 Bonds shall be in the denomination of \$1,000 or any integral multiple thereof. The Series 2022 Bonds shall initially be issued as one fully registered State Bond. The Series 2022 Bonds shall be designated as and shall be distinguished from the Bonds of all other series by the title, “Water and Sewer Revenue Bonds, Series 2022.”

The Series 2022 Bonds shall be issued on a parity with the Issuer’s Parity Bonds, such that the Series 2022 Bonds are secured by an equal lien pledge of the Net Revenues of the Issuer’s System with said Parity Bonds.

The Series 2022 Bonds shall be in such form as to permit the Drinking Water Board to make incremental advances on its total loan commitment to the Issuer during the period of acquisition and construction of the Project and in compliance with Section 3.3 below.

Section 2.2 Advances of Proceeds. On or before fifteen (15) days prior to the first day of each calendar quarter beginning prior to the payment by the Issuer of costs of construction of the 2022 Project, or at such other time as shall be specified by the Drinking Water Board, the Issuer shall provide to the Drinking Water Board a certificate setting forth a schedule of the costs of construction which the Issuer estimates will become due and payable by the Issuer during the next calendar quarter. Advances made by the Drinking Water Board on the basis of such certificates shall be deposited in the Series 2022 Acquisition Account. All such advances shall be in the amount of \$1,000 or any integral multiple thereof. Upon receipt of evidence of deposit of each advance in the Series 2022 Acquisition Account, the Finance Director of the Issuer shall give telephonic authorization followed by written confirmation to the Drinking Water Board to stamp or write the date

and amount of such advance made by the Drinking Water Board in the appropriate place on the Certificate of Dates of Payment and Amount appearing on the State Bonds. Each advance made by the Drinking Water Board on the State Bonds shall constitute proceeds of the State Bonds and shall be deemed to constitute the full purchase price of the corresponding principal amount of the State Bonds noted on the Certificate of Dates of Payment and Amount appearing on the State Bond(s). As advances are made by the Drinking Water Board, they shall be deemed to represent principal payments in the order of their maturity.

Section 2.3 Debt Forgiveness. The Drinking Water Board has committed to purchase the Series 2022 Bonds for a purchase price of not to exceed Thirteen Million Eight Hundred Eleven Thousand Eight Hundred Twenty Dollars (\$13,811,820). The Drinking Water Board has also agreed to forgive and relieve the Issuer of a maximum amount of Two Million Eight Hundred Eleven Thousand Eight Hundred Twenty Dollars (\$2,811,820) of the maximum Total Principal Sum of the Series 2022 Bonds such that the Repayable Principal Amount of the Series 2022 Bonds shall not exceed Eleven Million Dollars (\$11,000,000). Accordingly, the Drinking Water Board will distribute via incremental advances as described herein first, the Thirteen Million Eight Hundred Eleven Thousand Eight Hundred Twenty Dollars (\$13,811,820) and thereafter the maximum amount of Two Million Eight Hundred Eleven Thousand Eight Hundred Twenty Dollars (\$2,811,820) shall be forgiven and shall be recorded under the "Debt Forgiveness Amount" column on the Certificate of Dates of Payment and Amount on the State Bond certificate.

Section 2.4 Date, Payment Date and Hardship Grant Assessment. The Series 2022 Bonds shall be in the denomination of One Thousand Dollars (\$1,000) each or any integral multiple thereof and shall be paid as provided in this Section 2.4.

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 2022 Bonds at the offices of the Paying Agent for endorsement or surrender, or of any successor Paying Agent.

So long as the Drinking Water Board is the Registered Owner of the Series 2022 Bonds, payments on the Series 2022 Bonds shall be made by check or draft without presentation of the Series 2022 Bonds and mailed to the Drinking Water Board as the Registered Owner at the address shown on the registration books maintained by the Registrar. Payment on the Series 2022 Bonds 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.

The Series 2022 Bonds shall be dated as of the Original Issue Date, and shall be payable in installment payments on October 1 in the years and in the amounts and shall bear Hardship Grant Assessment on the principal amount of each Advance beginning on the date of such Advance at the rate of 0.5% per annum as follows and as further described herein:

Maturity Date  
(October 1)

Principal  
Amount

If less than \$13,811,820 is advanced on the Series 2022 Bonds, the repayment period shall be shortened and the number of annual principal installments shall be reduced in inverse order of payment (and the amount of the final remaining principal payment shall be reduced, if required) to correspond to the maximum principal amount of the Series 2022 Bonds.

The Hardship Grant Assessment on Series 2022 Bonds so payable, and punctually paid and duly provided for, on any Hardship Grant Assessment Payment Date will be paid to the Registered Owner thereof at the close of business on the Regular Record Date for such Hardship Grant Assessment. Any such Hardship Grant Assessment not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner of any Series 2022 Bonds on such Regular Record Date and may be paid to the registered owner thereof at the close of business on a Special Record Date for the payment of such defaulted



Hardship Grant Assessment to be fixed by the Trustee, notice thereof to be given to such registered owner not less than ten days prior to such Special Record Date. The Hardship Grant Assessment shall be paid by check or draft mailed on each Hardship Grant Assessment Payment Date to the Holder of each of the Series 2022 Bonds as the name and address of such Holder appears on the Record Date in the Register. The Hardship Grant Assessment on the Series 2022 Bonds shall be calculated on the basis of a 360 day year consisting of twelve 30 day months.

**Section 2.5 Delinquent Payment.** Payments of principal and Hardship Grant Assessment on the Series 2022 Bonds which are delinquent from the due date thereof shall draw interest at the rate of eighteen percent (18%) per annum on the delinquent payment from said due date until paid in full.

**Section 2.6 Exchange of State Bonds.** As long as the Drinking Water Board is the sole Registered Owner of the Series 2022 Bonds, the Series 2022 Bonds shall be issued only as the State Bonds in the form prescribed in Exhibit A-1. It is recognized that the Drinking Water Board may sell or otherwise transfer the Series 2022 Bonds pursuant to the provisions of the State Financing Consolidation Act, Title 63B, Chapter 1b, Utah Code Annotated 1953, as amended, or otherwise. In the event the Drinking Water Board determines to sell or otherwise transfer all or a portion of the Series 2022 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 2.6. Any Series 2022 Bond, or any portion thereof, which is sold or otherwise transferred or liquidated by the Drinking Water Board 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 2.3 of the General Indenture. 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 Drinking Water Board 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 2.7 Optional Redemption and Redemption Prices.** Each principal payment of the Series 2022 Bonds 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, and upon at least thirty (30) days' prior written notice of the amount of prepayment and the date scheduled for prepayment to the Drinking Water Board with respect to the State Bonds, and at a redemption price equal to 100% of the principal amount to be prepaid or redeemed to the date of redemption.

**Section 2.8 Designation of Registrar.** Zions Bancorporation, National Association, One South Main Street, 12th Floor, Salt Lake City, Utah is hereby designated

as Registrar for the Series 2022 Bonds, acceptance of which appointment shall be evidenced by execution of this Sixth Supplemental Indenture by the Registrar.

**Section 2.9 Designation of Paying Agent.** Zions Bancorporation, National Association, One South Main Street, 12th Floor, Salt Lake City, Utah, is hereby designated as Paying Agent for the Series 2022 Bonds, acceptance of which appointment shall be evidenced by execution of this Sixth Supplemental Indenture from the Paying Agent.

**Section 2.10 Limited Obligation.** The Series 2022 Bonds, together with Hardship Grant Assessment 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 2022 Bond proceeds or other funds created hereunder or under the Indenture or the income from the temporary investment thereof).

**Section 2.11 Enforcement of Indenture with Respect to Series 2022 Bonds.** Notwithstanding anything in the General Indenture or herein to the contrary, so long as the Drinking Water Board is the Registered Owner of the Series 2022 Bonds, it may deal directly with the Issuer in the servicing and enforcement of said Series 2022 Bonds; provided, however, prior to undertaking any enforcement activity, it will consult with the Trustee and coordinate any such enforcement with the Trustee to the extent permissible under State regulations, and further provided that no remedial action may be taken by the Drinking Water Board or the Trustee which favors one Bondholder over another.

**Section 2.12 Perfection of Security Interest.**

(a) The Indenture creates a valid and binding pledge and assignment of security interest in all of the Net Revenues pledged under the Indenture in favor of the Trustee as security for payment of the Series 2022 Bonds, enforceable by the Trustee in accordance with the terms thereof.

(b) Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Section 11-14-501, Utah Code Annotated 1953, as amended, and is and shall have priority as against all parties having claims of any kind in tort, contract, or otherwise hereafter imposed on the Net Revenues.

**Section 2.13 Series 2022 Bonds as Additional Bonds.** The Series 2022 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 2022 Bonds.



## ARTICLE III

### ADDITIONAL COVENANTS

Section 3.1 Additional Covenants with Respect to the Series 2022 Bonds. The Issuer hereby covenants and agrees with the holder of the Series 2022 Bonds issued hereunder the following:

(a) So long as the Series 2022 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 System. The 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 System and all properties constituting the System. 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 accountants, showing the receipts and disbursements for account of the System, and that such audit will be available for inspection by each Bondholder; provided, however, during such periods of time as the Drinking Water Board is the registered owner of any of the Series 2022 Bonds, each such audit will be supplied to the Drinking Water Board as soon as completed without prior request therefor by the Drinking Water Board. 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 income 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 Sixth Supplemental Indenture, and the accountant's recommendations for any change or improvement in the operation of the System;

(iv) All schedules of rates and charges imposed for water and sewer service during the fiscal year.

The audit must be performed in accordance with generally accepted government auditing standards.

(b) In addition to the reporting requirements set forth in 3.1(a) above, the Issuer shall submit to the Drinking Water Board 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 Drinking Water Board to the Issuer

upon purchase of the Series 2022 Bonds. The Drinking Water Board may, however, upon written request from the Issuer setting forth the reasons why a certified audit is not necessary or is impractical, waive the audit requirements for any particular fiscal year set forth in this Section 3.1(b).

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 2022 Bonds is other than the Drinking Water Board, 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.

(c) Every officer, agent or employee of the Issuer having custody or control of any of the Revenues or of the proceeds of the Series 2022 Bonds shall be bonded by a responsible corporate surety in an amount not less than twice the annual debt service on all Bonds issued under the Indenture, plus the annual debt service of the Series 2022 Bonds. The premiums on such surety bonds shall not be an Operation and Maintenance Expense of the System.

(d) The Issuer shall commence and complete the acquisition and construction of the 2022 Project with all practical dispatch and will cause all construction to be effected in a sound and economical manner.

(e) Any bill not paid within thirty (30) days from the date it is mailed to the customer shall be deemed delinquent. The Issuer hereby agrees that if any water bill remains delinquent for more than sixty (60) days, it will initiate proceedings to cause all water service to the water user concerned to be cut off immediately.

(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 will, upon request, provide a copy of the Trustee's annual accounting required by Section 8.13 of the General Indenture to the Drinking Water Board.

### Section 3.2 Tax Matters.

(a) The Issuer shall make no investment or other use of the proceeds of the Series 2022 Bonds at any time during the term thereof which, if such investment or other use had been reasonably expected on the date the Series 2022 Bonds is issued, would have caused the Series 2022 Bonds to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder and shall comply with all the requirements thereof throughout the term of the Series 2022 Bonds.

(b) The Chair and the Controller/Clerk of the Issuer are hereby authorized and directed to execute such certificates as shall be necessary to establish that the Series 2022 Bonds are not “arbitrage bonds” within the meaning of Section 148 of the Code and the Treasury Regulations promulgated or proposed with respect thereto, as the same currently exist, or may from time to time hereafter be amended, supplemented or revised. The Issuer covenants and certifies to and for the benefit of the Registered Owners that no use will be made of the proceeds of the issue and sale of the Series 2022 Bonds, or any funds or accounts of the Issuer which may be deemed to be gross proceeds of the Series 2022 Bonds, which use, if it had been reasonably expected on the date of issuance of the Series 2022 Bonds, would have caused the Series 2022 Bonds to be classified as “arbitrage bonds” within the meaning of Section 148 of the Code. Pursuant to this covenant, the Issuer obligates itself to comply throughout the term of the Series 2022 Bonds with the requirements of Sections 103 and 141 through 150 of the Code and the regulations proposed or promulgated with respect thereto. The Issuer further represents and covenants that no bonds or other evidences of indebtedness of the Issuer have been or will be issued, sold, or delivered within a period beginning fifteen (15) days prior to the sale of the Series 2022 Bonds and ending fifteen (15) days following the delivery of the Series 2022 Bonds.

Section 3.3 Disbursements. Notwithstanding any other provision herein, to the contrary, the Issuer recognizes and agrees that not more than \$ \_\_\_\_\_ may be disbursed from the Series 2022 Construction Account for the Drinking Water Board’s approved portion of the Series 2022 Project (each a “Subproject”), unless and until the Issuer has satisfied each of the following conditions: (a) the Issuer must supply to the Drinking Water Board written evidence reasonably satisfactory to the Drinking Water Board that (i) the Issuer has completed plans and specifications for the Subproject being financed with additional funds to be advanced and deposited into the Series 2022 Construction Account and has obtained the approval of the Drinking Water Board with respect thereto; (ii) the Issuer has advertised for bids and opened bids relating to the construction of the Series 2022 Subproject and is prepared to award the construction contract to the successful bidder, and (iii) the total principal amount of the Series 2022 Bonds (together with any other equity funds deposited by the Issuer) are sufficient to cover the costs of completing the Series 2022 Subproject; and (b) the Issuer’s attorney must supply to the Drinking Water Board a written legal opinion certifying that (i) the process used by the Issuer in soliciting bids and awarding the contract to complete the construction of the Series 2022 Subproject was consistent with all legal procurement statutes, rules and requirements and (ii) the Issuer has obtained all necessary easements, rights-of-way, permits, licenses, and approvals required by law, whether state or federal, to be obtained by the Issuer in connection with the acquisition, construction, improvement, and extension of the Series 2022 Subproject. Unless otherwise agreed by the Drinking Water Board in writing, if the Issuer fails to satisfy all of these requirements within 36 months after the Original Issue Date, the Drinking Water Board may give written demand to the Trustee, whereupon the Trustee shall, without requiring further authorization from any party, disburse to the Drinking Water Board all funds then held in the Series 2022 Construction Account, including Hardship Grant Assessment thereon through the date of said demand, and the funds disbursed to the Drinking Water Board shall be applied by the Drinking Water Board as a

prepayment of the principal on the Series 2022 Bonds, in inverse order of principal maturities.

ARTICLE IV  
APPLICATION OF PROCEEDS AND FUNDS AND ACCOUNTS

Section 4.1 Application of Proceeds of the Series 2022 Bonds. The Issuer shall deposit with the Trustee the proceeds of the Series 2022 Bonds when advanced pursuant to Section 2.2 herein, and the Trustee shall deposit said proceeds into the Series 2022 Construction Account held by the Trustee under the General Indenture and upon the Trustee's Receipt of an executed requisition form from the Issuer in the form attached hereto as Exhibit C. At closing, (i) payment of \$\_\_\_\_, which constitutes the total principal amount of the Series 2022 Bonds shall be deposited in the Series 2022 Construction Account within the Construction Fund; and (ii) [an additional Issuer contribution of \$\_\_\_\_ ].

Section 4.2 Series 2022 Construction Account Disbursements of moneys in the Series 2022 Construction Account shall be made in accordance with the terms of Section 5.1 of the General Indenture. Each requisition from said Series 2022 Construction Account shall be approved by a qualified representative of the Drinking Water Board, provided, however, that the Costs of Issuance shall be paid by the Trustee from the Series 2022 Construction Account upon receipt from the Issuer of an executed Cost of Issuance Disbursement Request in substantially the form of Exhibit B attached hereto.

ARTICLE V  
MISCELLANEOUS

Section 5.1 Confirmation of Sale of Series 2022 Bonds. The sale of the Series 2022 Bonds to the Drinking Water Board at a price of \$13,811,820 (the total principal amount of the Series 2022 Bonds), is hereby ratified, confirmed and approved.

Section 5.2 Severability. If any provision of this Sixth Supplemental Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or sections in this Sixth Supplemental Indenture contained, shall not affect the remaining portions of this Sixth Supplemental Indenture, or any part thereof.

Section 5.3 Counterparts. This Sixth Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.4 Applicable Law. This Sixth Supplemental Indenture shall be governed exclusively by the applicable laws of the State of Utah.

Section 5.5 Effective Date. This Sixth Supplemental Indenture shall become effective immediately upon execution.

ARTICLE VI  
CONFIRMATION OF GENERAL INDENTURE

As supplemented by this Sixth Supplemental Indenture, and except as provided herein, the General Indenture is in all respects ratified and confirmed, and the General Indenture, and this Sixth 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 Sixth Supplemental Indenture, and to any revenues, receipts and moneys to be derived therefrom.

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

GRANGER-HUNTER IMPROVEMENT  
DISTRICT, UTAH

(SEAL)

By: \_\_\_\_\_  
Chair

COUNTERSIGN:

By: \_\_\_\_\_  
Controller/Clerk

ZIONS BANCORPORATION,  
NATIONAL ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT A-1

(FORM OF STATE BONDS - SERIES 2022 BOND)

UNITED STATES OF AMERICA  
STATE OF UTAH  
GRANGER-HUNTER IMPROVEMENT DISTRICT, UTAH  
WATER AND SEWER REVENUE BOND  
SERIES 2022

Number R - \_\_\_\_\_ \$ \_\_\_\_\_

<u>Hardship Grant Assessment Rate</u>	<u>Maturity Date</u>	<u>Original Issue Date</u>
0.5%		

Registered Owner: STATE OF UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY, DRINKING WATER BOARD

Principal Amount: \_\_\_\_\_ DOLLARS

Granger-Hunter Improvement District, Utah (“Issuer”), a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah, for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner named above or registered assigns, out of the special fund hereinbelow designated and not otherwise, the Repayable Principal Amount and Debt Forgiveness Amount, set forth in the “Certificate of Dates of Payment and Amount” set forth at the end of this Bond (the “Certificate”), but in no event more than a maximum principal amount of \$13,811,820, with \$2,811,820 in principal forgiveness for a net repayable amount of \$11,000,000. The outstanding principal amount of the Series 2022 Bonds shall bear Hardship Grant Assessment from the date of each Advance at the rate of 0.5% per annum; (provided, however, that upon the initial \$75,000 Advance (as further described in the Indenture), the Issuer shall prepay the Hardship Grant Assessment on that Advance that would accrue on that Advance between the date of that Advance and December 31, 2024) and subsequent Hardship Grant Assessment payments will be payable on January 1 of each year thereafter until the Series 2022 Bonds are paid in full. Principal and premium, if any, shall be payable upon surrender of this Bond at the principal offices of Zions Bancorporation, National Association, One South Main Street, 12th Floor, Salt Lake City, Utah (“Trustee” and “Paying Agent”), or its successors provided, however, that as long as the State of Utah Department of Environmental Quality Drinking Water Board (“Drinking Water Board”) is the registered holder of this Bond, installment payments of principal and Hardship Grant Assessment shall be made without presentation of the Bond by check or draft mailed to the Drinking Water Board as the Registered Owner at the address shown on the registration books maintained by the Registrar. The Hardship Grant Assessment on this Bond shall be payable by check or draft mailed to the Registered Owner



hereof at his address as it appears on the registration books of the Paying Agent, who shall also act as the Registrar for the Issuer, or at such other address as is furnished to the Paying Agent in writing by such Registered Owner. The Hardship Grant Assessment hereon shall be deemed to be paid by the Paying Agent when mailed. Both principal and Hardship Grant Assessment shall be payable in lawful money of the United States of America. Principal shall be payable in registered installments on October 1 of each of the years as set forth in the following repayment schedule:

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

If less than \$13,811,820 is advanced on the Series 2022 Bonds, the repayment period shall be shortened and the number of annual principal installments shall be reduced in inverse order of payment (and the amount of the final remaining principal payment shall be reduced, if required) to correspond to the maximum principal amount of the Series 2022 Bonds.



If any installment payment of Bond principal and Hardship Grant Assessment is not paid when due and payable, the Issuer shall pay the Hardship Grant Assessment at the rate of eighteen percent (18%) per annum on the delinquent installment from said due date until paid. All payments shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America.

The Bonds shall be issued on a parity with the Issuer's Parity Bonds (as defined in the Indenture), such that the Bonds are secured by an equal lien pledge of the Net Revenues of the Issuer's System with said Parity Bonds.

This Bond is payable solely from a special fund designated the "Bond Fund" established under a General Indenture of Trust dated February 1, 2005 (the "General Indenture") by and between the Issuer and Zions Bancorporation, National Association, as trustee (the "Trustee"). To the extent necessary to assure prompt payment of this Bond, the Issuer shall pledge 100% of the Net Revenues (as defined in the Indenture herein described) in the Bond Fund derived and to be derived from the operation of the Issuer's sewer system (the "System"), all as more fully described and provided in the General Indenture, as supplemented by a Sixth Supplemental Indenture dated as of \_\_\_\_\_, 2022 (the "Sixth Supplemental Indenture"), by and between the Issuer and the Trustee approved by the Board of Trustees of the Issuer on October 18, 2022 (the General Indenture and the Sixth Supplemental Indenture are collectively referred to herein as the "Indenture").

As more fully provided in the Indenture, the Series 2022 Bonds and certain other outstanding bonds as described under the Indenture (the "Outstanding Parity Bonds") shall be payable only from the Net Revenues (as defined in the Indenture) and shall not constitute a general indebtedness or pledge of the full faith and credit of the Issuer, within the meaning of any constitutional or statutory provision or limitation of indebtedness.

This Bond is issued pursuant to (1) a resolution of the Issuer adopted on October 18, 2022, (2) the Indenture, and (3) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated, 1953, as amended (the "Act") for the purpose of providing funds to (a) finance the Series 2022 Project as defined in the Sixth Supplemental Indenture and (b) pay costs incurred in connection with the issuance of the Series 2022 Bonds. 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.

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 Hardship Grant Assessment 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 Trustee, postage prepaid, not less than thirty (30) days prior to the date fixed for prepayment, to the registered owner of this Bond addressed to such owner at its address appearing on the registration books maintained by the Trustee.

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 sewer service sufficient to pay when due this Bond and the principal and Hardship Grant Assessment 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 (as defined in the Indenture) to pay this Bond according to the payment terms hereinabove set forth and the principal and Hardship Grant Assessment 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 an appropriate book in the office of the Trustee, who shall be the Registrar. This Bond is transferable only by notation upon said book by the registered owner hereof in person or by his attorney duly authorized in writing, by the surrender of this Bond, together with a written instrument of transfer satisfactory to the Issuer, duly executed by the registered owner or his attorney duly authorized in writing; thereupon, this Bond shall be delivered to and registered in the name of the transferee.

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 (as defined in the Indenture) 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 and notes issued on a parity with this Bond, if any, and that said Net Revenues are not pledged, hypothecated or anticipated in any way other than by the issue of this Bond and all bonds and notes issued on a parity with this Bond, if any.

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 the manual or facsimile signature of its Chair and countersigned by the manual or facsimile signature of its Controller/Clerk under its corporate seal or a facsimile thereof.

(SEAL)

\_\_\_\_\_  
(facsimile or manual signature)

Chair

COUNTERSIGN:

\_\_\_\_\_  
(facsimile or manual signature)

Controller/Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Water and Sewer Revenue Bonds, Series 2022 of Granger-Hunter Improvement District, Utah.

ZIONS BANCORPORATION,  
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>
_____	State of Utah Department of Environmental Quality, Drinking Water Board	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

CERTIFICATE OF DATES OF PAYMENT AND AMOUNT

The undersigned authorized representative of the State of Utah Department of Environmental Quality, Drinking Water Board (the "Board"), hereby certifies that the Board has received written authorization from the Treasurer 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. A copy of this certificate shall be forwarded to the Trustee (Zions Bancorporation, National Association) pursuant to the requirement in Section 2.2 of the Sixth Supplemental Indenture dated as of \_\_\_\_\_, 2022.

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

EXHIBIT A-2

FORM OF EXCHANGE BOND—SERIES 2022

UNITED STATES OF AMERICA  
STATE OF UTAH  
GRANGER-HUNTER IMPROVEMENT DISTRICT, UTAH  
WATER AND SEWER REVENUE BONDS, SERIES 2022

<u>Interest</u>	<u>Maturity Date</u>	<u>Issue Date</u>
%	_____	_____, 20__

Registered Owner: \_\_\_\_\_

Principal Amount: \_\_\_\_\_ DOLLARS

Granger-Hunter Improvement District, 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 on the Principal Amount shall be payable by check or draft mailed by Zions Bancorporation, National Association (the “Paying Agent”) to the Registered Owner hereof on each \_\_\_\_\_. Principal and redemption price of this Bond shall be payable upon presentation of this Bond to the Paying Agent, for payment at maturity.

If any installment payment of Bond principal and Interest is not paid when due and payable, the Issuer shall pay interest at the rate of eighteen percent (18%) per annum on the delinquent installment from said due date until paid. All payments shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America

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 Water and Sewer Revenue Bonds, Series 2022 in the total principal sum of \$ \_\_\_\_\_ authorized by a General Indenture of Trust dated February 1, 2005, and a Sixth Supplemental Indenture of Trust, dated as of \_\_\_\_\_, 2022 (together, the “Indenture”), as authorized by a resolution of the Issuer adopted on October 18, 2022. This Bond and the issue of Bonds of which it is a part is issued pursuant to (1) the Indenture and (2) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated, 1953, as amended (the “Act”) to (a) finance the Series 2022 Project as defined in the Indenture, and (b) pay costs incurred in connection with the issuance of the Series 2022 Bonds. 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.

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 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 forty-five (45) 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 said Bonds addressed to such owners at their address appearing on the registration books maintained by the Issuer.

Subject to the provisions of the Indenture, the Series 2022 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 sewer service sufficient to pay this Bond when due, and principal and Interest on all bonds and 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 (as defined in the Indenture) to pay this Bond according to the payment terms hereinabove set forth and the principal and interest on all bonds and notes 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 holder hereof in person or by his 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 does 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 said 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 and notes issued on a parity with this Bond, if any, and that said Net Revenues of the System are not pledged, hypothecated or anticipated in any way other than by the issue of Series 2022 Bonds of which this Bond is one and all bonds and notes issued on a parity with this Bond, if any.

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 Controller/Clerk with the seal of said Issuer affixed, all as of \_\_\_\_\_, 2022.

(SEAL)

By: /s/(manual or facsimile signature)  
Chair

COUNTERSIGN:

By: /s/(manual or facsimile signature)  
Controller/Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2022 Bonds described in the within mentioned Indenture.

ZIONS BANCORPORATION, NATIONAL  
ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Officer

Date of Authentication:

\_\_\_\_\_

REGISTRATION CERTIFICATE

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

This Bond shall be payable only to the order of the registered owner or his legal representative.

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

EXHIBIT B

COST OF ISSUANCE DISBURSEMENT REQUEST

Zions Bancorporation, National Association  
Corporate Trust Department  
One South Main Street, 12th Floor  
Salt Lake City, Utah 84133

Pursuant to Section 4.2 of the Sixth Supplemental Indenture of Trust dated as of \_\_\_\_\_, 2022, you are hereby authorized to pay to the following costs of issuance from the Series 2022 Construction Account:

[See Attached Schedule]

---

CHAIR  
GRANGER-HUNTER IMPROVEMENT  
DISTRICT, UTAH

COSTS OF ISSUANCE

<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
--------------	----------------	---------------

EXHIBIT C

FORM OF REQUISITION

Re: Granger-Hunter Improvement District, Utah Water and Sewer Revenue Bonds,  
\_\_\_\_\_ in the sum of \$ \_\_\_\_\_

Zions Bancorporation, National Association  
One South Main Street, 12<sup>th</sup> Floor  
Salt Lake City, Utah 84133

You are hereby authorized to disburse from the Series \_\_\_\_\_ Account of the Construction Fund with regard to the above-referenced bond issue the following:

REQUISITION NUMBER: \_\_\_\_\_

NAME AND ADDRESS OF PAYEE: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

AMOUNT: \$ \_\_\_\_\_

PURPOSE FOR WHICH EXPENSE HAS BEEN INCURRED: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Each obligation, item of cost, or expense mentioned herein has been properly incurred, is a proper charge against the Series \_\_\_\_\_ Account of the Construction Fund based upon audited, itemized claims substantiated in support thereof (evidence of such support not herein required by the Trustee), is justly due and owing and constitutes a Cost of a Project and has not been the basis for a previous withdrawal.

The amount remaining in the Series \_\_\_\_\_ Account of the Construction Fund after such disbursement is made, together with the amount of unencumbered Net Revenues, if any, which the Issuer reasonably estimates will be deposited in the Series \_\_\_\_\_ Account of the Construction Fund during the period of construction of the Project from the investment of moneys on deposit in the Series \_\_\_\_\_ Account of the Construction Fund, will, together with any other moneys lawfully available or expected to be lawfully available for payment of the Cost of the Project and after payment of the amount requested



in said requisition, be sufficient to pay the Cost of Completion for the Project in accordance with the plans and specifications therefor then in effect; it being understood that no moneys from the Series \_\_\_\_\_ Account of the Construction Fund may be expended unless, after giving effect thereto, the funds remaining in the Series \_\_\_\_\_ Account of the Construction Fund, together with such other funds and income and lawfully available moneys, are sufficient to pay the Cost of Completion for the Project.

DATED: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF UTAH DEPARTMENT OF  
ENVIRONMENTAL QUALITY  
DRINKING WATER BOARD

By: \_\_\_\_\_

Its: Assistant Executive Secretary