



MURRAY
CITY COUNCIL

Council Meeting October 5, 2021



Murray City Municipal Council

Notice of Meeting

October 5, 2021

Murray City Center

5025 South State Street, Murray, Utah 84107

Meeting Agenda

4:45 p.m. **Committee of the Whole** – Council Chambers
Diane Turner conducting

Approval of Minutes

Committee of the Whole – September 7, 2021

Discussion Items

1. Discussion on Murray City adopting a Park Impact Fee. – Aaron Montgomery, Zions Public Finance and Kim Sorensen (30 minutes)
2. Discussion on changes to building permit fees. – Melinda Greenwood and Don Steffenson (20 minutes)
3. Discussion on amending Chapter 2.68 to reflect the new name of the MCCD Review Committee and requiring annual meetings. – Melinda Greenwood and Jared Hall (10 minutes)
4. Discussion on a General Plan Amendment, Text of Chapter 5 – Land Use and Urban Design to add CMU and VMU Category. – Melinda Greenwood and Jared Hall (15 minutes)

Announcements

Adjournment

The public may view the Council Meeting via the live stream at www.murraycitylive.com or <https://www.facebook.com/Murraycityutah/> .

6:30 p.m. **Council Meeting** – Council Chambers
Diane Turner conducting.

Opening Ceremonies

Call to Order
Pledge of Allegiance

Approval of Minutes

None scheduled.

Special Recognition

1. Consider a Joint Resolution of the Mayor and Municipal Council of Murray City, Utah Declaring October 11-15, 2021 as Public Power Week – Mayor Camp and Blaine Haacke presenting.
2. Consider a Joint Resolution of the Mayor and Municipal Council of Murray City, Utah to Designate and Support the Week of October 3-9, 2021 as Fire Prevention Week – Mayor Camp and Joey Mittelman presenting.

Citizen Comments

Comments will be limited to three minutes, step to the microphone, state your name and city of residence, and fill out the required form.

Consent Agenda

None scheduled.

Public Hearing

Staff, sponsor presentations and public comment will be given prior to Council action on the following matter.

1. Public Hearing to receive comments regarding the issuance by the City of not to exceed \$6,750,000 Sales Tax Revenue Bonds – Brenda Moore presenting.

Business Items

1. Consider a resolution of the Municipal Council of Murray City, Utah authorizing a Preliminary Official Statement and an Official Statement required in connection with the issuance and sale of not more than \$6,750,000 aggregate principal amount of Sales Tax Revenue Bonds, Series 2021; and other documents required in connection therewith; authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by the resolution; and related matters – Brenda Moore presenting.
2. Consider an ordinance enacting Section 03.04.095 of the Murray City Municipal Code relating to provisions allowing for government or nonprofit utility payment assistance – Brenda Moore presenting.

Mayor's Report and Questions

Adjournment

NOTICE

Supporting materials are available for inspection on the Murray City website at www.murray.utah.gov.

Special accommodations for the hearing or visually impaired will be made upon a request to the office of the Murray City Recorder (801-264-2663). We would appreciate notification two working days prior to the meeting. TTY is Relay Utah at #711.

Council Members may participate in the meeting via telephonic communication. If a Council Member does participate via telephonic communication, the Council Member will be on speaker phone. The speaker phone will be amplified so that the other Council Members and all other persons present in the Council Chambers will be able to hear all discussions.

On Friday, October 1, 2021, at 9:00 a.m., a copy of the foregoing notice was posted in conspicuous view in the front foyer of the Murray City Center, Murray, Utah. Copies of this notice were provided for the news media in the Office of the City Recorder. A

copy of this notice was posted on Murray City's internet website www.murray.utah.gov and the state noticing website at <http://pmn.utah.gov>.

A handwritten signature in black ink, reading "Jennifer Kennedy". The signature is written in a cursive, flowing style.

Jennifer Kennedy
Council Executive Director
Murray City Municipal Council



MURRAY
CITY COUNCIL

Committee of the Whole



MURRAY
CITY COUNCIL

Committee of the Whole Minutes



MURRAY MUNICIPAL COUNCIL COMMITTEE OF THE WHOLE

Meeting Minutes

Tuesday, September 7, 2021
Murray City Center

5025 South State Street, Conference Room #107, Murray, Utah 84107

Attendance: Council Members and others:

Diane Turner – Chair	District #4
Brett Hales – Vice Chair	District #5
Kat Martinez	District #1
Dale Cox	District #2
Rosalba Dominguez	District #3 (Excused until 5:20 pm)

Doug Hill	Mayor Pro Tem	Jennifer Kennedy	City Council Director
Robyn Colton	Human Resource Director	Pattie Johnson	Council Administration
Jennifer Heaps	Chief Communications Officer	Blaine Haacke	Power – General Manager
G.L. Critchfield	City Attorney	Danny Hansen	IT
Craig Burnett	Police Chief	Brooke Smith	City Recorder
Zack Smallwood	CED Associate Planner	Melinda Greenwood	CED Director
Brenda Moore	Finance Director	Residents	

Conducting: Ms. Turner called the meeting to order at 4:45 p.m.

Approval of Minutes: Committee of the Whole – July 6, 2021 and Committee of the Whole – July 20, 2021. Mr. Hales motioned approval on both sets of minutes, Mr. Cox seconded the motion. (All in favor 4-0)

Discussion items:

Power Department Quarterly Report: Mr. Haacke presenting.

- **UAMPS Summer Conference** – Important highlights:
 - There is value in having reserves. Details were shared about the major storm that hit Denton, Texas in February 2021. Subzero temperatures crippled residents statewide without power for days. Rolling blackouts were necessary due to frozen machinery, no natural gas supply, and no generation of power. Astronomical gas prices also incurred during the catastrophe when gas was \$3 per dekatherm heading into the storm and \$700 per dekatherm when it was over. As a result, a commercial paper line-of-credit was needed to address restoration when repair costs of \$150 million exceeded existing reserves of \$106 million; the shortfall was \$45 million.
 - Maintain Power Fund reserves. There is currently \$30 million in reserves to cover catastrophic damage, infrastructure repair and prolonged power outages. The City has five electrical substations worth \$6 million each that could be wiped out due to an earthquake or tornado.
 - Prolonged outages. The situation would create major financial losses for many of Murray's large power users. Customers are not particular about what resources are used to regain power and

most will pay any amount to regain it quickly to save inventory and lives.

- Climate change, environmental portfolios, and resources. Mr. Haacke said many states have taken a progressive approach to requiring renewable energy, but it was to Murray's benefit that Utah did not have a required portfolio percentage standard for renewable energy. Because the City has chosen to use alternative clean renewable energy resources on its own, we do not need State and federal regulations. Currently over 50% of Murray's energy already comes from renewable resources, like hydropower and the landfill.
- Diversity within UAMPS. The organization has changed demographically by adding more city members from surrounding states. Thirty years ago city members were limited to only Utah. It is likely with the expansion new members would support the small nuclear project proposed in Idaho. Mr. Haacke implied it was unknown whether other state's agendas would influence the direction of Utah's conservative UAMPS organization overall.
- **EV (Electric Vehicle) charger update:** Total revenue so far = \$750. Mr. Haacke reviewed that Murray was awarded \$157,000 in State funding for providing three EV chargers at the Park Center. Of that, \$141,000 was utilized and service began on May 12, 2021. Up to six cars can be charge at a time and the average use is about 3-4 cars per day. The number of visits per month were:
 - May - 54
 - June – 98
 - July - 120
 - August – 93
- **CRSP (Colorado River Storage Project), Western Area Power Administration hydro status:** Mr. Haacke recapped that Murray joined with the CRSP federal hydro resource in 1964 to receive electric power. To market power in the 60's, hydroelectric facilities were built beneath Glen Canyon dams constructed on the Colorado River. At that time the resource was more expensive than coal, which later became valuable as the least expensive resource to Murray. It is currently priced at \$30 per megawatt hour and is 30% of Murray's portfolio.

He said severe drought this year will affect the resource that could eventually reduce Murray's power production. Right now the lake is only 35 feet above a critical point where water is received through the hydro intake. If water levels drop another 10 feet, the resource will not be usable for even farmers. The cost for power is expected to increase 20-25% between October 1, 2021 and December 1, 2021 due to the water level crisis. Murray's options moving forward include:

- Buy additional energy from the market.
- Have UAMPS negotiate for missing kilowatt hours that were established in 1964.
- Look to UAMPS members like Idaho Falls that have surplus in energy.
- Run the City's natural gas turbines more frequently.
- Call back energy from the Intermountain Power Plant in Delta, Utah – the more expensive cost is \$60 per megawatt hour.
- Do nothing. Should the drought continue for 2-3 more years, the City may need to consider other emergency options if reserves are not adequate for purchasing power.

Ms. Turner asked if solar energy would help to address the shortage. Mr. Haacke said our solar energy contract would provide 5 megawatts of power in 2022, which will only cover 1/5 of the 25

megawatts lost in hydro production. He thought utilizing gas turbines would be more useful. Mr. Hales inquired about drought statistics. Mr. Haacke said water levels are the lowest since 1962.

- **2021 Summer Load:** The City's 35-year-old hydroelectric resource has not produced well this year due to lack of water. Engineering firm, Bowen Collins is conducting a study to determine if the City should invest in updating machinery. With record heat this summer the City saved around \$1 million by running all three gas turbines. Typically not used until August, they were needed on June 15 and all units function properly.
- **UAMPS:**
 - **Large Scale Solar:** Red Mesa Project – Navajo Tribal Authority. Groundbreaking is expected soon, and production will be up and running by Spring of 2022. The resource will produce 66 megawatts and Murray will receive 5 megawatts of that generation. The anticipated cost is \$23 per megawatt but will increase to \$30 per megawatt in 20 years when the contract expires.
 - **Enchant Project:** Enchant Energy Corp. will take over the San Juan coal fire plant that will close this spring due to environmental legislation. Murray will lose 1.6 megawatts in energy; however, if the plant can be repurposed into a massive carbon capture facility, the City is interested in attaining 4-5 megawatts. Details will come about in the future.
- **General department and employee status:**
 - Public Power Day – The event was moved to October 14, 2021, at pavilion #5 in Murray Park.
 - Light Up Navajo – Murray Power will participate again by sending four power employees to the reservation the first week of May 2022.
 - Job Force - One position for a Journey Lineman was filled. They are short two positions in GIS.
 - July 22, 2021 Outage - A significant microburst created havoc in one particular area of the City with many trees and power lines down. At peak, 2500 people lost power for up to 8 hours. Power was restored by the next day and clean up continued for days.
 - Seven people are going through apprenticeship school: three lineman, two sub-techs and two-meter readers. The training process is typically about four years.

Text amendment for Section 17.48.120, Temporary Signs: Ms. Greenwood and Mr. Smallwood presenting. The proposal is meant to simplify, clarify, and clean up regulations regarding temporary signs. The issue came about this year from an inquiry related to political signs and whether permits were required. Ms. Greenwood said a full sign code revision was adopted in 2019, however the temporary sign issue was overlooked regarding how and if signs are tracked. Temporary placement is considered 90 days or less.

Mr. Smallwood shared information about conflicting language, duplicated items, and items not practical to enforce in our current sign code. The text amendment was reviewed which confirmed that the City would not require permits for temporary signs; there would be no tracking of signs by stickers and signs are not allowed in the public right of way. The Murray Planning Commission recommended approval of the text amendment with a 6-0 vote. Staff also recommends the proposal go forward. There was a short discussion about how signs should be removed after 90 days, and then can be placed again in the same or new location for another 90 days.

Text amendment for Section 17.78, ADUs (Accessory Dwelling Units): Mr. Smallwood presenting. An

updated version of City Code regarding ADUs was proposed to comply with a Utah State mandate and simplify Code regulations. Legislation goes into effect on October 1, 2021, where all Utah cities must allow attached ADUs as a permitted use. The amendment prohibits limiting ADUs in size, so anyone may build any size of ADU they like. It also prohibits requiring more than one parking space.

Mr. Smallwood recapped that Murray adopted an ADU ordinance on September 11, 2009 allowing ADUs in single family residential zones, subject to obtaining a conditional use permit. Since then the City approved 67 ADUs. He clarified differences between Attached and Detached ADUs and reviewed the requirements of each. (Attachment #1) A major change for Detached ADUs is that the conditional use permit requirement be removed; City staff will approve ADUs. He confirmed property owners must sign an affidavit stating that no short-term renting of ADUs will occur and that ADUs are owner occupied. Property owners will be subject to various penalties if found operating an ADU as a short-term rental.

Ms. Dominguez requested clarification between ADUs and short-term rentals. Mr. Smallwood explained short-term rentals and Airbnb's are when portions of a home are rented out. An ADU is to help with the housing crisis, which is intended for long-term dwelling of more than 30 days at a time. He reviewed staff findings and confirmed the Murray Planning Commission voted 5-0 on July 1, 2021 to forward a positive recommendation to the City Council. City staff also recommended approval. Ms. Martinez noted ADUs must share the same address and asked if units could be labeled A and B. Mr. Smallwood said labeling units was not a requirement as to not confuse the ADU with a duplex. Mr. Hales asked if the State mandate would override the Homeowner's Association requirement that an ADU must be occupied by family members. Mr. Smallwood replied he would research that.

Police salaries. Mr. Cox and Ms. Colton presenting. Mr. Cox said after the need to increase Murray police compensation due to competitive salaries, he thought those officers not included should receive a raise as well. He met previously with Mayor Camp and the administration to propose that the budget opening should include wage increases for redline pay police officers also.

Ms. Colton confirmed top paid officers could be included in the wage increase, as low range officer pay would move up the pay scale considerably quicker. She explained how the step system was adjusted for those police officers who receive top pay. (Attachment #2) The additional increase would add another \$185,000 to the \$412,000 increase proposed two weeks ago. The new proposal puts Murray police officer pay at 1.87% above the average salary and is in line with other police agencies; it places the City at #4 for competitive pay. Mr. Cox was hopeful the solution would help prevent the City from losing more officers because they are greatly appreciated. The Council would consider the proposal in the council meeting.

Announcements: None.

Adjournment: 5:53 p.m.

**Pattie Johnson
Council Office Administrator III**

ATTACHMENT #1

Chapter 17.78, Accessory Dwelling Units Land Use Ordinance Text Amendment

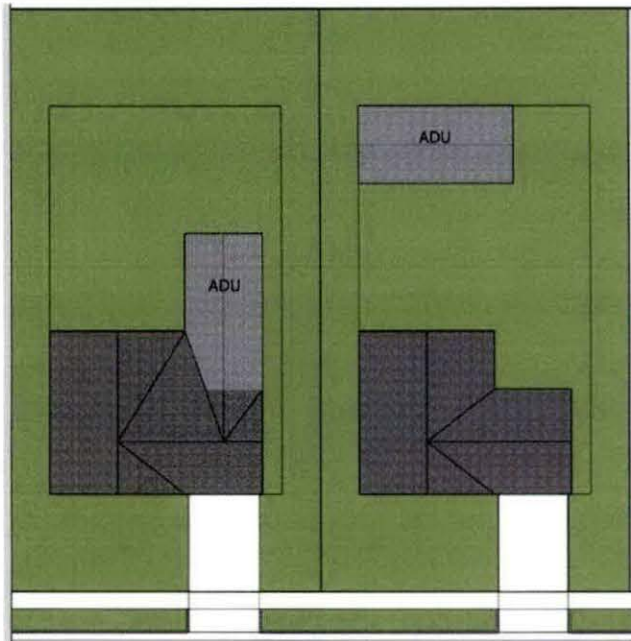


Why Are We Here?

State Mandate

- House Bill 82
 - Legislature attempting to help with the housing issues in the state
 - Goes into effect October 1, 2021





ADUs Defined

Attached (left)

- A part of the main dwelling; basement, addition, etc.

Detached (right)

- Wholly separated from the existing dwelling



Attached ADUs

- Removed size limitation
- Removed allowed number of bedrooms
- Reduced parking required to one additional space





Detached ADUs

- All requirements stay the same
 - 12,000 sq ft lot required
 - 1,000 sq ft or 40% of main dwelling
 - No more than 2 bedrooms
 - Two additional off-street parking spaces
- Changed from Conditional Use Permit to ADU Permit



ADUs & Short-Term Rentals

- Property owner must sign an affidavit that no short-term renting of ADUs will occur
- If found operating, will occur penalties that are outlined in the Short-Term Rental Ordinance (coming soon)
 - 1st Occurrence = \$500
 - 2nd Occurrence = \$750
 - 3rd Occurrence = \$750 (unable to obtain license)
 - Any additional occurrence = class B misdemeanor and \$1,000 fine



Project # _____

**ACCESSORY DWELLING UNIT
PERMIT APPLICATION**

Type of Accessory Dwelling Unit (choose one):
☐ Attached ADU ☐ Detached ADU

Subject Property Address: _____

Parcel Identification (Subject):
 Number: _____

Parcel Area: _____ Current Use: _____

Floor Area: _____ Zoning Classification: _____ LUR: _____

Applicant Name: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Daytime Phone #: _____ Fax #: _____

Email Address: _____

Business or Project Name: _____

Property Owner's Name (if different): _____

Property Owner's Mailing Address: _____

City: _____ State: _____ Zip: _____

Daytime Phone #: _____ Fax #: _____

Email address: _____

Describe your request in detail (use additional page if necessary): _____

Accessory Dwelling Unit Permit

- Application Form
 - Type of ADU
 - Owner information
- Site plans
- Floorplans
- Affidavits
 - Acknowledging the owner will live on property
 - Acknowledging the prohibition of short-term rentals
- This would be a staff level administrative permit that does not require Planning Commission approval



Staff Findings

1. The proposed text amendment furthers objective 9 of the Land Use and Urban Design Element of the General Plan to “provide a mix of housing options and residential zones to meet a diverse range of needs related to lifestyle and demographics, including age, household size, and income” by making the process to construct and operate an ADU easier.
2. The proposed changes are in harmony with objective 11 of the Land Use and Urban Design Element to “stimulate reinvestment in deteriorating areas of the city to support growth and enhance the image of the community” by reducing the requirements needed to operate an ADU.
3. Staff finds that objective 3 of the Neighborhoods & Housing Element that states “encourage housing options for a variety of age, family size and financial levels” supports the proposed changes. This allows residents that own a home that may be struggling to pay their mortgage or have a family member or friend that needs affordable housing to reside on the property within an ADU.
4. Objective 1 of the Moderate Income Housing Element states “ensure housing affordability targets are achievable using a range of strategies”. One of the strategies in this objective states to continue to support ADUs in all residential zones. Staff finds that the proposed changes further this objective by making it easier to construct and operate an ADU.
5. The Planning Commission voted 5-0 to forward a recommendation of approval.

Staff Recommendation

Based on the background, staff review, and the Planning Commission recommendation, staff recommends **APPROVAL** of the proposed text amendment for Section 17.78, Accessory Dwelling Units.

ATTACHMENT #2

		STEP 0	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11	STEP 12
OLD	POLICE OFFICER	\$23.82	\$25.02	\$26.27	\$27.58	\$28.95	\$30.40	\$31.16	\$31.95	\$32.75	\$33.56	\$34.40	\$35.26	\$36.13
	MASTER OFFICER	\$25.83	\$27.12	\$28.48	\$29.90	\$31.40	\$32.96	\$33.79	\$34.63	\$35.50	\$36.39	\$37.30	\$38.23	\$39.18
NEW	POLICE OFFICER	\$27.58	\$28.96	\$30.41	\$31.93	\$32.73	\$33.54	\$34.38	\$35.24	\$36.12	\$37.03	\$37.95		
	MASTER OFFICER	\$29.90	\$31.40	\$32.96	\$34.61	\$35.48	\$36.37	\$37.27	\$38.21	\$39.16	\$40.14	\$41.14		

POLICE OFFICER PAY

	Minimum	Maximum
So. Salt Lake	\$28.34	\$43.64
Sandy (Proposed)	\$28.36	\$42.01
West Valley	\$27.15	\$41.90
South Jordan	\$27.04	\$39.72
Salt Lake City	\$26.93	\$39.29
West Jordan	\$27.00	\$39.00
Taylorsville	\$27.40	\$37.06
Average	\$27.46	\$40.37
Murray	\$23.82	\$39.18
Difference	-15.28%	-3.05%

PROPOSAL

Average	\$27.46	\$40.37
Murray (New Steps)	\$27.58	\$41.14
Difference	0.44%	1.87%
Total Annual Cost		\$597,362.24
Old Proposal		\$412,067.07
Difference		\$185,295.17

SERGEANT PAY

	Minimum	Maximum
So. Salt Lake	\$45.69	\$49.42
West Valley	\$44.41	\$47.57
Riverton	\$32.27	\$48.41
South Jordan	\$43.21	\$47.22
Salt Lake City	\$43.24	\$46.00
West Jordan	\$41.64	\$44.85
Draper	\$36.67	\$41.27
Cottonwood Heights	\$39.56	\$45.31
Herriman	\$39.34	\$45.05
Taylorsville	\$42.36	\$45.20
Sandy	\$44.53	\$48.66
UPD	\$36.70	\$43.18
Average	\$40.80	\$46.01
Murray	\$38.96	\$46.31
Difference	-4.73%	0.64%

LIEUTENANT PAY

	Minimum	Maximum
So. Salt Lake	\$52.48	\$56.76
West Valley	\$51.85	\$55.01
South Jordan	\$43.78	\$62.17
Salt Lake City	\$50.92	\$54.16
West Jordan	\$49.77	\$54.94
Draper	\$43.34	\$47.36
Cottonwood Heights	\$48.82	\$52.57
Herriman	\$43.32	\$52.15
Taylorsville	\$52.41	\$52.41
Sandy	\$51.57	\$56.36
UPD	\$45.95	\$51.22
Average	\$48.56	\$54.10
Murray	\$46.40	\$55.14
Difference	-4.66%	1.88%



Discussion Items



Discussion Item #1



MURRAY


Parks and Recreation Department

Park Impact Fees

Council Action Request

Committee of the Whole

Meeting Date: October 5, 2021

Department Director Kim Sorensen Phone # 801-264-2619 Presenters Aaron Montgomery, Zions Public Finance Kim Sorensen Parks and Recreation Director Required Time for Presentation 30 Minutes Is This Time Sensitive No Mayor's Approval  Date July 15, 2021	Purpose of Proposal Discuss Murray City adopting a park impact fee. Action Requested Discussion only Attachments DRAFT-Parks, Trails and Recreation Impact Fee Facility Plan DRAFT-Parks, Trails, and Recreation Impact Fee Analysis Budget Impact Impact fees will generate funds for future park acquisitions and development Description of this Item Discussion of Draft Parks, Trails, and Recreation Impact Fee Facility Plan and Analysis.
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DRAFT Parks, Trails, and Recreation Impact Fee Analysis



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Summary of Impact Fee Analysis (IFA)

Murray City ("City") is experiencing population growth that is increasing demand at its existing parks, trails and recreation facilities. The City has therefore determined that it is necessary to consider the enactment of a Parks, Recreation and Trails Impact Fee so that new development pays for its fair share of the cost of these types of facilities.

The City has determined that there is one service area citywide for parks, recreation and trails, and that there is no excess capacity in any of its parks, recreation or trails facilities but that there is excess capacity in the aquatic facilities.

Projections for population growth in the City are as follows:

TABLE 1: PROJECTED POPULATION GROWTH, 2021-2031

Year	Population
2021	51,388
2022	51,594
2023	51,801
2024	52,009
2025	52,217
2026	52,419
2027	52,622
2028	52,825
2029	53,030
2030	53,235
2031	53,366

Source: Murray City; ZPFI

This IFA is organized based on the legal requirements of Utah Code 11-36a-304.

Impact on Consumption of Existing Capacity - Utah Code 11-36a-304(1)(a)

The Impact Fee Facilities Plan (IFFP) considers only *system* facilities in the calculation of impact fees. For the City, this has been determined to mean community and neighborhood parks. Local parks are considered *project* improvements and have not been included in the calculation of impact fees.

Existing service levels are based on the (2021) levels of service in the City for both parks and trails. Existing and proposed service levels are shown in the table below on both a *unit* and *dollar amount* basis.

TABLE 2: EXISTING AND PROPOSED SERVICE LEVELS

Service Levels	Existing	Proposed	Existing	Proposed
Acres per 1000				
Population/ Amount per Population	4.209	4.209	\$1,641.88	\$1,641.88
Trail Feet per				
Population/ Amount per Population	2.17	2.17	\$83.51	\$83.51

Service Levels	Existing	Proposed	Existing	Proposed
Recreational Facilities			\$283.87	\$283.87
Aquatic Facilities			\$38.92	\$37.48

Impact on System Improvements by Anticipated Development Activity - Utah Code 11-36a-304(1)(b)

The table below shows the declining cost service levels that will occur in the City, due to population growth, if no new facilities are added. Service levels are shown in terms of units and in terms of cost. Each of these declining service levels is discussed in more detail in the body of this report.

TABLE 3: IMPACTS TO SERVICE LEVELS DUE TO NEW DEVELOPMENT IF NO IMPROVEMENTS ARE MADE

	2021 Service Levels – Units	2031 Service Levels – Units	Investment LOS 2021	Investment LOS 2031
Acres per 1000 Population/ Amount per Population	4.209	4.063	\$1,641.88	\$1,581.04
Trail Feet per Population/ Amount per Population	2.17	2.09	\$83.51	\$80.42
Recreational Facilities			\$283.87	\$273.35
Aquatic Facilities			\$38.92	\$37.48

Relationship of Anticipated Impacts to Anticipated Development Activity - Utah Code 11-36a-304(1)(c)

The demand placed on existing public park facilities by new development activity is attributable to population growth. Murray City has a 2021 population of 51,388 and, as a result of anticipated development activity, will grow to a projected 53,336 by 2031 – a population increase of 1,977 persons. As growth occurs as a result of increased development activity, more parks, trails and recreational facilities are needed to maintain existing service levels and to reach proposed service levels. However, there is sufficient capacity in the aquatic facilities through 2031.

In order to maintain the existing level of service, the projected new development over the next ten years will require the construction of new facilities or the consumption of excess capacity in the amount of \$4,047,242.85.

TABLE 4: NEW FACILITIES NEEDED TO MEET THE DEMANDS OF NEW GROWTH

	New Investment	Cost of Capacity Consumed	TOTAL
Parks	\$3,246,669.51		\$3,246,669.51
Trails	\$165,140.20		\$165,140.20
Recreational Facilities	\$561,325.07		\$561,325.07
Aquatic Facilities		\$74,108.07	\$74,108.07
TOTAL	\$3,973,134.78	\$74,108.07	\$4,047,242.85

Proportionate Share Analysis - Utah Code 11-36a-304(1)(d)(i)(ii)

Costs Reasonably Related to New Development Activity

The cost of new system improvements required to maintain the service levels related to new development activity are based on the costs of system-wide facilities, and the consultant fees for the preparation of the Impact Fee Facilities Plan and the Impact Fee Analysis.

TABLE 5: CALCULATION OF GROSS IMPACT FEE

Summary	Amount
Parks	\$1,641.88
Trails	\$83.51
Recreational Facilities	\$283.87
Aquatic Facilities	\$37.48
Consultant Fees	\$5.06
TOTAL Gross Fee per Person	\$2,051.80

The fee per person is then multiplied by the average unit size to arrive at the maximum impact fees that can be charged in 2021.

TABLE 6: MAXIMUM IMPACT FEES

	Average Unit Size	Max Fee
Single-Family	2.63	\$5,396.23
Multi-Family	2.42	\$4,965.35

Manner of Financing - Utah Code 11-36a-304(2)(c)(d)(e)(f)(g)(h)

An impact fee is a one-time fee that is implemented by a local government on new development to help fund and pay for all or a portion of the costs of public facilities that are needed to serve new development. Additionally, impact fees allow new growth to share in the cost of existing facilities that have excess capacity.

Impact Fee Credits

The Impact Fees Act requires credits to be paid back to development for future fees that may be paid to fund system improvements found in the IFFP so that new development is not charged twice.

Extraordinary Costs and Time Price Differential

It is not anticipated that there will be any extraordinary costs in servicing newly-developed park, recreation or trail properties.

Utah Code 11-36a

Preparation of Impact Fee Analysis. Utah Code requires that “each local political subdivision... intending to impose an impact fee shall prepare a written analysis (Impact Fee Analysis or IFA) of each impact fee” (Utah Code 11-36a-303). This IFA follows all legal requirements as outlined below. The City has retained Zions Public Finance, Inc. (ZPFI) to prepare this Impact Fee Analysis in accordance with legal requirements.

Section 11-36a-304 of the Utah Code outlines the requirements of an impact fee analysis which is required to identify the following:

- anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity;

- anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;

- how anticipated impacts are reasonably related to the anticipated development activity

- the proportionate share of:

 - costs for existing capacity that will be recouped; and

 - costs of impacts on system improvement that are reasonably related to the new development activity; and

 - how the impact fee was calculated

Further, in analyzing whether or not the proportionate share of the costs of public facilities are reasonably related to the new development activity, the local political subdivision or private entity, as the case may be, shall identify, if applicable:

- the cost of each existing public facility that has excess capacity to serve the anticipated development resulting from the new development activity;

- the cost of system improvements for each public facility;

- other than impact fees, the manner of financing for each public facility such as user charges, special assessments, bonded indebtedness, general taxes, or federal grants;

- the relative extent to which development activity will contribute to financing the excess capacity of and system improvements for each existing public facility, by means such as user charges, special assessments, or payment from the proceeds of general taxes;

- the relative extent to which development activity will contribute to the cost of existing public facilities and system improvements in the future;

the extent to which the development activity is entitled to a credit against impact fees because the development activity will dedicate system improvements or public facilities that will offset the demand for system improvements, inside or outside the proposed development;

extraordinary costs, if any in servicing the newly developed properties; and

the time-price differential inherent in fair comparisons of amounts paid at different times.

Calculating Impact Fees. Utah Code 11-36a-305 states that for purposes of calculating an impact fee, a local political subdivision or private entity may include the following:

construction contract price;

cost of acquiring land, improvements, materials, and fixtures;

cost for planning, surveying, and engineering fees for services provided for and directly related to the construction of the system improvements; and

for a political subdivision, debt service charges if the political subdivision might use impact fees as a revenue stream to pay the principal and interest on bonds, notes or other obligations issued to finance the costs of the system improvements.

Additionally, the Code states that each political subdivision or private entity shall base impact fee amounts on realistic estimates and the assumptions underlying those estimates shall be disclosed in the impact fee analysis.

Certification of Impact Fee Analysis. Utah Code 11-36a-306 states that an impact fee analysis shall include a written certification from the person or entity that prepares the impact fee analysis. This certification is included at the conclusion of this analysis.

Impact Fee Enactment. Utah Code 11-36a-202 states that a local political subdivision or private entity wishing to impose impact fees shall pass an impact fee enactment in accordance with Section 11-36a-402. Additionally, an impact fee imposed by an impact fee enactment may not exceed the highest fee justified by the impact fee analysts. An impact fee enactment may not take effect until 90 days after the day on which the impact fee enactment is approved.

Notice of Intent to Prepare Impact Fee Analysis. A local political subdivision must provide written notice of its intent to prepare an IFA before preparing the Analysis (Utah Code 11-36a-503(1)). This notice must be posted on the Utah Public Notice website. The City has complied with this noticing requirement for the IFA by posting notice.

Impact Fee Analysis

Utah Code allows cities to include only system-wide parks for the purpose of calculating impact fees. Project-wide parks and trails cannot be used to establish levels of service eligible to be maintained through impact fees. Based on input from the City and the consultants, a system-wide park is defined as a park that serves more than one local development area.

This IFA is organized based on the legal requirements of Utah Code 11-36a-304.

1 Impact on Consumption of Existing Capacity

Utah Code 11-36a-304(1)(a): an impact fee analysis shall identify the anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity

Demand Placed on Facilities by New Development Activity

Parks. Existing park service levels will decline, due to new development activity, from the existing service level of \$1,641.88 to \$1,581.04 per person by 2031.

TABLE 7: PARK SERVICE LEVEL IMPACTS FROM NEW DEVELOPMENT ACTIVITY, 2021-2031

Year	Population	Population Growth	Acres per 1,000 Population if No New Facilities	Total Park Acres Required	Cost Service Levels per Person if No New Facilities
2021	51,388		4.209	216.29	\$1,641.88
2022	51,594	206	4.192	217.16	\$1,635.33
2023	51,801	207	4.175	218.03	\$1,628.80
2024	52,009	208	4.159	218.90	\$1,622.29
2025	52,217	208	4.142	219.78	\$1,615.82
2026	52,419	202	4.126	220.63	\$1,609.59
2027	52,622	203	4.110	221.48	\$1,603.39
2028	52,825	204	4.094	222.34	\$1,597.21
2029	53,030	204	4.079	223.20	\$1,591.05
2030	53,235	205	4.063	224.06	\$1,584.92
2031	53,366	131	4.053	224.61	\$1,581.04

Trails. The existing level of service of \$83.51 will decline to \$80.42 per person by 2031, if no new improvements are made.

TABLE 8: TRAIL MILES SERVICE LEVEL IMPACTS FROM NEW DEVELOPMENT ACTIVITY, 2021-2031

Year	Population	Population Growth	Trail Feet per Resident if No New Facilities	Total Trail Feet Needed	Total Trail Miles Needed	Cost Service Levels per Person if No New Facilities
2021	51,388		2.17	111,302	21.08	\$83.51
2022	51,594	206	2.16	111,749	21.16	\$83.18
2023	51,801	207	2.15	112,196	21.25	\$82.85
2024	52,009	208	2.14	112,646	21.33	\$82.52
2025	52,217	208	2.13	113,098	21.42	\$82.19
2026	52,419	202	2.12	113,535	21.50	\$81.87
2027	52,622	203	2.12	113,974	21.59	\$81.56
2028	52,825	204	2.11	114,415	21.67	\$81.24
2029	53,030	204	2.10	114,858	21.75	\$80.93
2030	53,235	205	2.09	115,303	21.84	\$80.62
2031	53,366	131	2.09	115,585	21.89	\$80.42

Recreational Facilities. The existing level of service of \$283.87 will decline to \$273.35 per person by 2031, if no new improvements are made.

TABLE 9: RECREATIONAL FACILITIES SERVICE LEVEL IMPACTS FROM NEW DEVELOPMENT ACTIVITY, 2021-2031

Year	Population	Population Growth	Cost Service Levels per Person If No New Facilities
2021	51,388		\$283.87
2022	51,594	206	\$282.74
2023	51,801	207	\$281.61
2024	52,009	208	\$280.48
2025	52,217	208	\$279.36
2026	52,419	202	\$278.29
2027	52,622	203	\$277.21
2028	52,825	204	\$276.15
2029	53,030	204	\$275.08
2030	53,235	205	\$274.02
2031	53,366	131	\$273.35

Aquatic Facilities. The City's aquatic facilities have sufficient capacity to serve new development through 2031. Therefore, the existing service level of \$38.92 will decline to \$37.48 by 2031. This is, therefore, the proposed service level.

TABLE 10: AQUATIC FACILITIES SERVICE LEVEL IMPACTS FROM NEW DEVELOPMENT ACTIVITY, 2021-2031

Year	Population	Population Growth	Cost Service Levels per Person if No New Facilities
2021	51,388		\$38.92
2022	51,594	206	\$38.76
2023	51,801	207	\$38.61
2024	52,009	208	\$38.46
2025	52,217	208	\$38.30
2026	52,419	202	\$38.15
2027	52,622	203	\$38.01
2028	52,825	204	\$37.86
2029	53,030	204	\$37.71
2030	53,235	205	\$37.57
2031	53,366	131	\$37.48

2 Impact on System Improvements by Anticipated Development Activity

Utah Code 11-36a-304(1)(b): an impact fee analysis shall identify the anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;

The City will need to acquire additional parks, trails and recreational facilities in order to maintain its existing service levels. Service levels will decline, as a result of population growth unless new facilities are constructed or acquired. Impact fees will be used to maintain the existing service levels for parks, trails and recreational facilities. Impact fees can also be used to buy into the existing, excess capacity of the aquatic facilities.

TABLE 11: COST OF FACILITIES DUE TO NEW GROWTH

	New Investment	Cost of Capacity Consumed	TOTAL
Parks	\$3,246,669.51		\$3,246,669.51
Trails	\$165,140.20		\$165,140.20
Recreational Facilities	\$561,325.07		\$561,325.07
Aquatic Facilities		\$74,108.07	\$74,108.07
TOTAL	\$3,973,134.78	\$74,108.07	\$4,047,242.85

3 Relationship of Anticipated Impacts to Anticipated Development Activity

Utah Code 11-36a-304(1)(c): an impact fee analysis shall subject to Subsection (2), demonstrate how the anticipated impacts described in Subsections (1)(a) and (b) are reasonably related to the anticipated development activity;

The demand placed on existing public parks, trails and other recreation facilities by new development activity is attributable to population growth. The City has a 2021 population of 51,388 and as a result of anticipated development activity will grow to a projected 53,366 by 2031 – an increase of 1,977. As

growth occurs as a result of increased development activity, more parks, trails and recreational facilities are needed to maintain existing service levels and to reach proposed service levels.

Proportionate Share Analysis

4

Utah Code 11-36a-304(1)(d)(i)(ii): an impact fee analysis shall estimate the proportionate share of costs for existing capacity that will be recouped; and the costs of impacts on system improvements that are reasonably related to the new development activity;

Costs Reasonably Related to New Development Activity

The cost of new system improvements required to maintain the existing level of parks, recreation and trail services related to new development activity is based on the cost of system-wide park and trail facilities, as well as consultant fees for the preparation of the Impact Fee Facilities Plan and the Impact Fee Analysis.

The City will need to acquire an additional 8.32 acres of land by 2031 in order to maintain its existing service level of 4.209 acres per 1,000 persons. At a cost of \$390,093 per acre (land and improvements), the cost to the City will be \$3,246,669.51. The cost per person is \$1,641.88.

TABLE 12: PER PERSON COST TO MAINTAIN LOS FOR PARK LAND AND IMPROVEMENTS

Park Land and Improvements	Amount
Increased Acres Needed, 2021-2031	8.32
Cost per Acre	\$390,093
Investment Required, 2020-2031	\$3,246,669.51
Population Growth, 2021-2031	1,977
Cost per Person	\$1,641.88

The cost per capita to maintain the existing level of service for trails is \$83.51.

TABLE 13: COST PER PERSON TO MAINTAIN LOS FOR TRAILS

Trails	Amount
Increased Trail Feet Needed, 2021-2031	4,282.90
Weighted Average Cost per Trail Foot	\$38.56
Increased Investment Required, 2021-2031	\$165,140
Population Growth, 2021-2031	1,977
Cost per Person	\$83.51

The cost per person to maintain the existing level of service for recreational facilities is \$283.87.

TABLE 14: COST PER PERSON TO MAINTAIN LOS FOR RECREATIONAL FACILITIES

Recreational Facilities	Amount
Increased Recreational Facilities Square Feet (SF) Needed, 2021-2031	2,245
Cost per SF	\$283.87
Investment Required, 2021-2031	\$561,325.07
Population Growth, 2021-2031	1,977
Cost per Person	\$283.87

The cost to buy into the existing, excess capacity of the aquatic facilities is \$37.57.

TABLE 15: COST PER PERSON FOR PROPOSED LOS FOR AQUATIC FACILITIES

Aquatic Facilities	Amount
Cost of Aquatic Facilities	\$2,000,000
2031 Population	53,366
Proposed LOS per Person	\$37.57

The Impact Fee Facilities Plan and Impact Fee Analysis consultant cost is \$5.41 per person.

TABLE 16: COST PER PERSON FOR CONSULTANTS FOR IFFP AND IFA

Consultant Costs	Amount
Consultant Cost	\$10,000
Growth in Population, 2021-2031	1,977
Cost per Person	\$5.06

The total gross cost per person is \$2,051.80.

TABLE 17: SUMMARY OF GROSS COST PER PERSON

Summary	
Parks	\$1,641.88
Trails	\$83.51
Recreational Facilities	\$283.87
Aquatic Facilities	\$37.48
Consultant Fees	\$5.06
TOTAL Gross Fee per Person	\$2,051.80

TABLE 18: MAXIMUM IMPACT FEES

	Average Unit Size	Max Fee
Single-Family	2.63	\$5,396.23
Multi-Family	2.42	\$4,965.35

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Impact Fee Credits

Utah Code 11-36a-304(1)(e): an impact fee analysis shall, based on the requirements of this chapter, identify how the impact fee was calculated;

The City may choose to allow a developer to contribute park, trail or recreational facilities improvements in place of impact fees. This decision is at the discretion of the City.

Manner of Financing

6

Utah Code 11-36a-304(2)(c)(d)(e)(f)(g)(h): an impact fee analysis shall identify, if applicable: other than impact fees, the manner of financing for each public facility such as user charges, special assessments, bonded indebtedness, federal taxes, or federal grants;

An impact fee is a one-time fee that is implemented by a local government on new development to help fund and pay for all or a portion of the costs of public facilities that are needed to serve new development. These fees are usually implemented to help reduce the economic burden on local jurisdictions that are trying to deal with population and commercial growth within the area. As a matter of policy and legislative discretion, a City may choose to have new development pay the full cost of its share of new public facilities if the facilities would not be needed except to service new development. However, local governments may use other sources of revenue to pay for the new facilities required to service new development and use impact fees to recover the cost difference between the total cost and the other sources of revenue. Additionally, impact fees allow new growth to share in the cost of existing facilities that have excess capacity.

At the current time, no other sources of funding other than impact fees have been identified, but to the extent that any are identified and received in the future, then impact fees will be reduced accordingly.

Additional system-wide park land and recreation facility improvements beyond those funded through impact fees that are desired to maintain a higher proposed level of service will be paid for by the community through other revenue sources such as user charges, special assessments, GO bonds, general taxes, etc.

Impact Fee Credits

In the situation that a developer chooses to construct facilities found in the IFFP in lieu of impact fees, the arrangement must be made through the developer and the City.

At the discretion of the City, impact fees may be modified for certain types of development such as low-income housing, memory care units, etc.

Extraordinary Costs and Time Price Differential

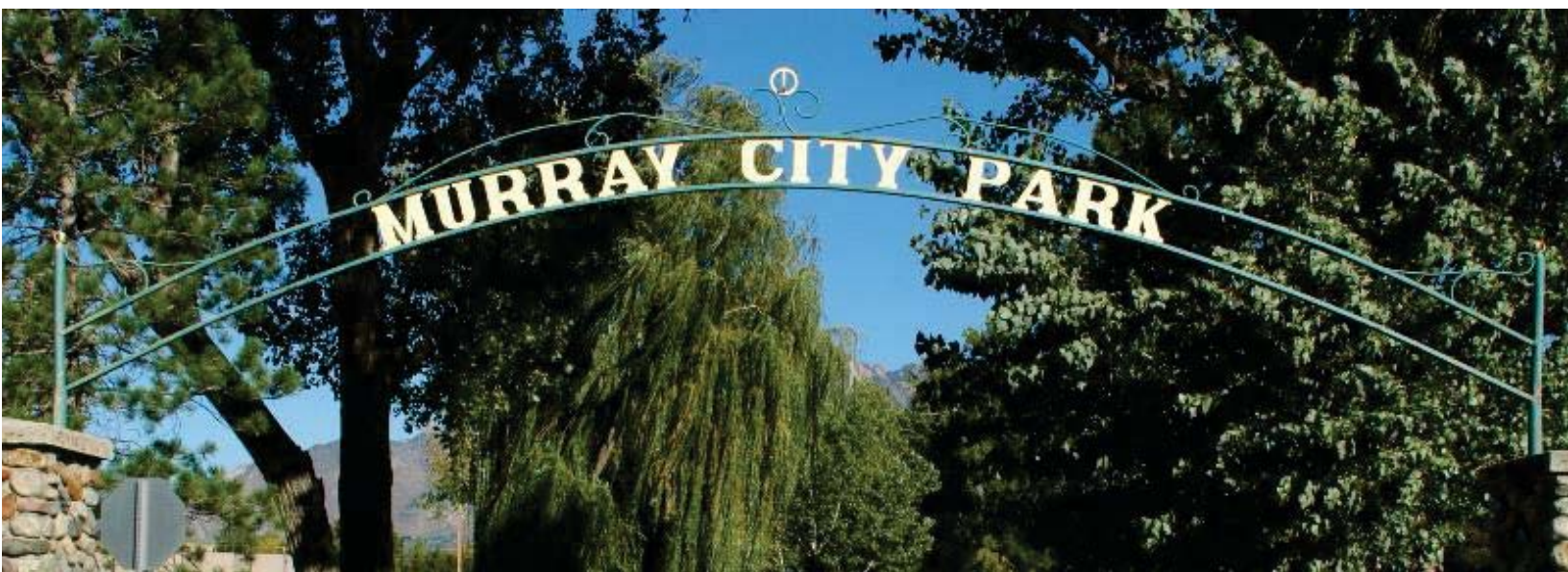
The Impact Fees Act requires credits to be paid back to development for future fees that may be paid to fund system improvements found in the IFFP so that new development is not charged twice. Credits may also be paid back to developers who have constructed or directly funded items that are included in the IFFP or donated to the City in lieu of impact fees, including the dedication of land for system improvements. This situation does not apply to developer exactions or improvements required to offset density or as a condition for development. Any item for which a developer receives credit should be included in the IFFP and must be agreed upon with the City before construction begins.

It is not anticipated that there will be any extraordinary costs in servicing newly developed park, recreation or trail properties. To account for the time-price differential inherent in fair comparisons of amounts paid at different times, actual costs have been used to compute buy-in costs to public facilities with excess capacity and current costs have been used to compute impacts on system improvements required by anticipated development activity to maintain the established level of service for each public facility.

Certification

Zions Public Finance, Inc. certifies that the attached impact fee analysis:

1. includes only the costs of public facilities that are:
 - a. allowed under the Impact Fees Act; and
 - b. actually incurred; or
 - c. projected to be incurred or encumbered within six years after the day on which each impact fee is paid;
2. does not include:
 - a. costs of operation and maintenance of public facilities;
 - b. costs for qualifying public facilities that will raise the level of service for the facilities, through impact fees, above the level of service that is supported by existing residents;
3. offsets costs with grants or other alternate sources of payment; and
4. complies in each and every relevant respect with the Impact Fees Act.



DRAFT Parks, Trails and Recreation Impact Fee Facility Plan





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Summary

Background

Murray City ("City") has created this Park, Trails and Recreation Impact Fee Facilities Plan in accordance with all legal requirements of Utah Code 11-36a. New development will place increased demand on existing parks, recreation and trail facilities and therefore is responsible for contributing its fair share of the capital costs necessitated by new development.

Demand for parks, trails and recreation facilities comes from residential development and the associated population growth. Commercial development is not considered to create more demand on parks, trails and other recreation facilities and is therefore not included in the calculation of impact fees. Projected population growth in Murray is estimated as follows:

TABLE 1: PROJECTED POPULATION GROWTH, 2021-2031

Year	Population
2021	51,388
2022	51,594
2023	51,801
2024	52,009
2025	52,217
2026	52,419
2027	52,622
2028	52,825
2029	53,030
2030	53,235
2031	53,366

Source: Murray City; ZPFI

Identify the Existing and Proposed Levels of Service and Excess Capacity

Utah Code 11-36a-302(1)(a)(i)(ii)(iii)

The IFFP considers only *system* facilities in the calculation of impact fees. For the City, this has been determined to mean neighborhood, community and regional parks. Local pocket parks have not been included in the calculation of impact fees. This is in accordance with legal requirements of the Utah Code which does not allow *project* improvements to be included.

Existing service levels are based on the (2021) levels of service in the City for both parks and trails. Existing and proposed service levels are shown in the table below on both a *unit* and *dollar amount* basis.

TABLE 2: EXISTING AND PROPOSED SERVICE LEVELS – UNIT AND COST SERVICE LEVELS

Service Levels	Existing	Proposed	Existing	Proposed
Acres per 1000				
Population/ Amount per Population	4.209	4.209	\$1,641.88	\$1,641.88
Trail Feet per				
Population/ Amount per Population	2.17	2.17	\$83.51	\$83.51

Service Levels	Existing	Proposed	Existing	Proposed
Recreational Facilities			\$283.87	\$283.87
Aquatic Facilities			\$38.92	\$37.48

The City intends to at least maintain service levels for parks, trails, and recreational facilities. However, cost service levels for the aquatic facilities will decline as no new similar facilities are planned. Therefore, there is existing excess capacity in the aquatic facilities. The existing and proposed levels of service have been expressed first in acres per 1,000 residents for parks, and in linear feet per resident for trails; these numbers are then converted to a cost level per person. The parks, trails and recreation development in the City is one overall recreation system designed to meet the needs and desires of its residents for physical and leisure activities and therefore the overall cost service level reflects the combined level of service for all parks, trails and recreation facilities.

Identify Demands Placed Upon Existing Public Facilities by New Development Activity at the Proposed Level of Service

Utah Code 11-36a-302(1)(a)(iv)

The table below shows the declining cost service levels that will occur in the City, due to population growth, if no new facilities are added. Service levels are shown in terms of units and in terms of cost. Each of these declining service levels is discussed in more detail in the body of this report.

TABLE 3: IMPACTS TO SERVICE LEVELS DUE TO NEW DEVELOPMENT IF NO IMPROVEMENTS ARE MADE

	2021 Service Levels – Units	2031 Service Levels – Units	Investment LOS 2021	Investment LOS 2031
Acres per 1000 Population/ Amount per Population	4.209	4.063	\$1,641.88	\$1,581.04
Trail Feet per Population/ Amount per Population	2.17	2.09	\$83.51	\$80.42
Recreational Facilities			\$283.87	\$273.35
Aquatic Facilities			\$38.92	\$37.48

Identify How the Growth Demands Will Be Met

Utah Code 11-36a-302(1)(a)(v)

In order to maintain the existing level of service, the projected new development over the next ten years will require the construction of new facilities or the consumption of excess capacity in the amount of \$4,047,242.85.

TABLE 4: NEW FACILITIES NEEDED TO MEET THE DEMANDS OF NEW GROWTH

	New Investment	Cost of Capacity Consumed	TOTAL
Parks	\$3,246,669.51		\$3,246,669.51
Trails	\$165,140.20		\$165,140.20

	New Investment	Cost of Capacity Consumed	TOTAL
Recreational Facilities	\$561,325.07		\$561,325.07
Aquatic Facilities		\$74,108.07	\$74,108.07
TOTAL	\$3,973,134.78	\$74,108.07	\$4,047,242.85

Consideration of Revenue Sources to Finance Impacts on System Improvements

Utah Code 11-36a-302(2)

This Impact Fee Facilities Plan includes a thorough discussion of all potential revenue sources for parks, recreation, and trails improvements. These revenue sources include grants, bonds, interfund loans, transfers from the General Fund, impact fees and anticipated or accepted dedications of system improvements.

Utah Code Legal Requirements

Utah law requires that communities prepare an Impact Fee Facilities Plan (IFFP) before preparing an Impact Fee Analysis (IFA) and enacting an impact fee. Utah law also requires that communities give notice of their intent to prepare and adopt an IFFP. This IFFP follows all legal requirements as outlined below. The City has retained Zions Bank Public Finance (ZPFI) to prepare this Impact Fee Facilities Plan in accordance with legal requirements.

Notice of Intent to Prepare Impact Fee Facilities Plan

A local political subdivision must provide written notice of its intent to prepare an IFFP before preparing the Plan (Utah Code §11-36a-501). This notice must be posted on the Utah Public Notice website. The City has complied with this noticing requirement for the IFFP by posting notice.

Preparation of Impact Fee Facilities Plan

Utah Code requires that each local political subdivision, before imposing an impact fee, prepare an impact fee facilities plan. (Utah Code 11-36a-301).

Section 11-36a-302(a) of the Utah Code outlines the requirements of an impact fee facilities plan which is required to identify the following:

- (i) identify the existing level of service
- (ii) establish a proposed level of service
- (iii) identify any excess capacity to accommodate future growth at the proposed level of service
- (iv) identify demands placed upon existing facilities by new development activity at the proposed level of service; and
- (v) identify the means by which the political subdivision or private entity will meet those growth demands.

Further, the proposed level of service may:

- (i) exceed the existing level of service if, independent of the use of impact fees, the political subdivision or private entity provides, implements, and maintains the means to increase the existing level of service for existing demand within six years of the date on which new growth is charged for the proposed level of service; or
- (ii) establish a new public facility if, independent of the use of impact fees, the political subdivision or private entity provides, implements, and maintains the means to increase the existing level of service for existing demand within six years of the date on which new growth is charged for the proposed level of service.

In preparing an impact fee facilities plan, each local political subdivision shall generally consider all revenue sources to finance the impacts on system improvements, including:

- (a) grants
- (b) bonds
- (c) interfund loans
- (d) transfers from the General Fund
- (e) impact fees; and
- (f) anticipated or accepted dedications of system improvements.

Certification of Impact Fee Facilities Plan

Utah Code states that an impact fee facilities plan shall include a written certification from the person or entity that prepares the impact fee facilities plan. This certification is included at the conclusion of this analysis.

Existing Service Levels, Proposed Service Levels and Excess Capacity

Utah Code 11-36a-302(1)(a)(i)(ii)(iii)

Growth in Demand

Impacts on recreation-related facilities will come from growth in the population.

TABLE 5: PROJECTED POPULATION GROWTH, 2021-2031

Year	Population
2021	51,388
2022	51,594
2023	51,801
2024	52,009
2025	52,217
2026	52,419
2027	52,622
2028	52,825
2029	53,030
2030	53,235
2031	53,366

Source: Murray City; ZPFI

Population projections are for 1,977 new units between 2021 and 2031.¹

Existing Service Levels

Parks. Existing system parks are shown in the table below:

TABLE 6: SYSTEM PARKS

Park Name	Total Acres
Arrowhead Park	1.56
Grant Park	5.24
Hidden Village Park	4.46
Southwood Park	5.56
Murray City Park	73.5
Cottonwood Grove Park	22.06
Germania Park	44.9
Walden Park	14.95
Willow Pond Park	28.83
Winchester Park	15.23
TOTAL	216.29

The existing level of service for parks then, for the purpose of calculating impact fees, is 4.21 acres per 1,000 persons, calculated by dividing the 216.29 eligible park acres by the 2021 population of 51,388 (which has been divided by 1,000).

Existing park improvements are summarized in the table below.

TABLE 7: SYSTEM PARK IMPROVEMENTS

Unit Type	All Units	Impact Fee Eligible Units	Cost per Unit	Total Cost
Land Acres	216.29	216.29	\$300,000	\$64,887,000
Mowed Acres (Cost per SF)	3,406,477	3,046,477	\$2.25	\$6,854,573
Paved Acres (Cost per SF)	606,662	606,925	\$5.00	\$3,034,625
Playground	11	10.5	\$210,000	\$2,205,000
Outdoor Fitness Equipment	1	1	\$21,000	\$21,000
Water Play Feature	1	1	\$50,000	\$50,000
Pickleball Court	6	6	\$65,000	\$390,000
Multi-Sport Field	7	6	\$15,000	\$90,000
Softball Field	1	1	\$20,000	\$20,000
Baseball Field	6	5.5	\$30,000	\$165,000
Tennis Court	6	6	\$98,500	\$591,000
Basketball Court	4	3.5	\$40,000	\$140,000
Volleyball	11	11	\$20,000	\$220,000
Pavilion	12	11	\$200,000	\$2,200,000
Shade Shelter/ Gazebo	2	2	\$65,000	\$130,000

¹ Murray City Population Projections showed a growth rate of 1.10% from 2015 to 2020. The growth rate is expected to decline to 0.40% between 2020 and 2025, then to 0.39% between 2025 and 2030. This results in a growth figure of 1,977 in 2031 consistent with the population projections used by the City.

Unit Type	All Units	Impact Fee Eligible Units	Cost per Unit	Total Cost
Fishing Pond*	1	0	\$0	\$0
Restrooms	16	15	\$225,000	\$3,375,000
TOTAL				\$84,373,198
Cost per Acre				\$390,092.92

*The fishing pond at Willow Pond Park was funded by the Division of Wildlife Resources

The City has indicated that some of the park improvements shown in the previous table were gifted, donated or acquired with grant funds. Therefore, those improvements cannot be included in the level of service (LOS) for impact fees. In many cases, grant funds paid for half of the improvements resulting in only half of the cost of some units being included.

The existing level of service for parks (land and improvements) is therefore calculated by taking the total investment of \$84,373,198 and dividing by the existing population of 51,388, which results in a service level of \$1,641.88 per person.

Trails. The City currently has 21.08 trail miles (111,302 linear trail feet). This results in a current (2021) standard of 2.17 trail feet per person, calculated by dividing the 111,302 trail feet by the 2021 population. The level of service is \$83.51 per person, calculated by dividing the cost of the existing trail miles (\$4,291,600) by the existing population of 51,388.

TABLE 8: EXISTING SYSTEM TRAIL IMPROVEMENTS

Trails	Miles	Cost	Unit	Total Cost
Asphalt	10.74	\$250,000	Mile	\$2,685,000
Concrete	4.60	\$300,000	Mile	\$1,380,000
Unpaved	5.42	\$30,000	Mile	\$162,600
Boardwalk	0.32	\$200,000	Mile	\$64,000
TOTAL	21.08			\$4,291,600

Recreation Facilities. The City's recreation facilities are currently at capacity. The current level of service is \$283.87 per person, calculated by dividing the current cost of the recreation facilities (\$14,587,500) by the 2021 population of 51,388. It is anticipated that the City will expand the recreation facilities to maintain the existing/proposed level of service.

Aquatic Facilities. The City's aquatic facilities were acquired at a cost of \$2 million. The current level of service is \$38.92 per person calculated by dividing the \$2 million by the 2021 population of 51,388. However, the current aquatic facilities are expected to serve the needs of the community through 2031. Therefore, the existing service level will decline in the future.

Proposed Service Levels

The City has indicated that it would like to at least maintain its existing service levels for parks, trails and recreation facilities. Therefore, the proposed level of service for parks, trails and recreation facilities is at least the same as, or greater than, the existing level of service. Impact fees for parks, trails and recreation facilities, however, will only be calculated based on the existing level of service. If the community chooses to increase its service levels, it will be done through funding sources other than impact fees.

However, there is excess capacity in the City's aquatic facilities. Therefore, proposed service levels for these facilities will decline in the future and the impact fee for the aquatic facilities will be calculated based on the decreased proposed service levels.

TABLE 9: PROPOSED SERVICE LEVELS

	2021 Service Levels – Units	2031 Service Levels – Units	Investment LOS 2021	Investment LOS 2031
Acres per 1000 Population/ Amount per Population	4.209	4.063	\$1,641.88	\$1,581.04
Trail Feet per Population/ Amount per Population	2.17	2.09	\$83.51	\$80.42
Recreational Facilities			\$283.87	\$273.35
Aquatic Facilities			\$38.92	\$37.48

Identify Excess Capacity

The City has not identified any excess capacity in any of its parks, trails or recreational facilities. It has, however, identified excess capacity in its aquatic facilities. In other words, the City intends to at least maintain its existing service level for parks, trails and recreational facilities. Therefore, it will need to build additional parks, trails and recreational facilities. However, the City has assumed that there is sufficient excess capacity in its aquatic facilities that new development will be required to buy-in to the actual cost of these facilities rather than construct new facilities.

Identify Demands Placed on Existing Public Facilities by New Development Activity at Proposed Level of Service and How Those Demands Will Be Met

Utah Code 11-36a-302(1)(a)(iv)(v)

Demand Placed on Facilities by New Development Activity

Parks. Existing park service levels will decline, due to new development activity, from the existing service level of \$1,641.88 to \$1,581.04 per person by 2031.

TABLE 10: PARK SERVICE LEVEL IMPACTS FROM NEW DEVELOPMENT ACTIVITY, 2021-2031

Year	Population	Population Growth	Acres per 1000 Population if No New Facilities	Total Park Acres Required	Cost Service Levels per Person if No New Facilities
2021	51,388		4.209	216.29	\$1,641.88
2022	51,594	206	4.192	217.16	\$1,635.33
2023	51,801	207	4.175	218.03	\$1,628.80
2024	52,009	208	4.159	218.90	\$1,622.29
2025	52,217	208	4.142	219.78	\$1,615.82
2026	52,419	202	4.126	220.63	\$1,609.59
2027	52,622	203	4.110	221.48	\$1,603.39
2028	52,825	204	4.094	222.34	\$1,597.21
2029	53,030	204	4.079	223.20	\$1,591.05

Year	Population	Population Growth	Acres per 1000 Population if No New Facilities	Total Park Acres Required	Cost Service Levels per Person if No New Facilities
2030	53,235	205	4.063	224.06	\$1,584.92
2031	53,366	131	4.053	224.61	\$1,581.04

Trails. The existing level of service of \$83.51 will decline to \$80.42 per person by 2031, if no new improvements are made.

TABLE 11: TRAIL MILES SERVICE LEVEL IMPACTS FROM NEW DEVELOPMENT ACTIVITY, 2021-2031

Year	Population	Population Growth	Trail Feet per Resident if No New Facilities	Total Trail Feet Needed	Total Trail Miles Needed	Cost Service Levels per Person if No New Facilities
2021	51,388		2.17	111,302	21.08	\$83.51
2022	51,594	206	2.16	111,749	21.16	\$83.18
2023	51,801	207	2.15	112,196	21.25	\$82.85
2024	52,009	208	2.14	112,646	21.33	\$82.52
2025	52,217	208	2.13	113,098	21.42	\$82.19
2026	52,419	202	2.12	113,535	21.50	\$81.87
2027	52,622	203	2.12	113,974	21.59	\$81.56
2028	52,825	204	2.11	114,415	21.67	\$81.24
2029	53,030	204	2.10	114,858	21.75	\$80.93
2030	53,235	205	2.09	115,303	21.84	\$80.62
2031	53,366	131	2.09	115,585	21.89	\$80.42

Recreational Facilities. The existing level of service of \$283.87 will decline to \$273.35 per person by 2031, if no new improvements are made.

TABLE 12: RECREATIONAL FACILITIES SERVICE LEVEL IMPACTS FROM NEW DEVELOPMENT ACTIVITY, 2021-2031

Year	Population	Population Growth	Cost Service Levels per Person If No New Facilities
2021	51,388		\$283.87
2022	51,594	206	\$282.74
2023	51,801	207	\$281.61
2024	52,009	208	\$280.48
2025	52,217	208	\$279.36
2026	52,419	202	\$278.29
2027	52,622	203	\$277.21
2028	52,825	204	\$276.15
2029	53,030	204	\$275.08
2030	53,235	205	\$274.02
2031	53,366	131	\$273.35

Aquatic Facilities. The City's aquatic facilities have sufficient capacity to serve new development through 2031. Therefore, the existing service level of \$38.92 will decline to \$37.48 by 2031. This is, therefore, the proposed service level.

TABLE 13: AQUATIC FACILITIES SERVICE LEVEL IMPACTS FROM NEW DEVELOPMENT ACTIVITY, 2021-2031

Year	Population	Population Growth	Cost Service Levels per Person if No New Facilities
2021	51,388		\$38.92
2022	51,594	206	\$38.76
2023	51,801	207	\$38.61
2024	52,009	208	\$38.46
2025	52,217	208	\$38.30
2026	52,419	202	\$38.15
2027	52,622	203	\$38.01
2028	52,825	204	\$37.86
2029	53,030	204	\$37.71
2030	53,235	205	\$37.57
2031	53,366	131	\$37.48

Identify the Means by Which the Political Subdivision Will Meet the Growth Demands

The City will need to acquire additional parks, trails and recreational facilities in order to maintain its existing service levels. Service levels will decline, as a result of population growth unless new facilities are constructed or acquired. Impact fees will be used to maintain the existing service levels for parks, trails and recreational facilities. Impact fees can also be used to buy into the existing, excess capacity of the aquatic facilities.

TABLE 14: COST OF FACILITIES DUE TO NEW GROWTH

	New Investment	Cost of Capacity Consumed	TOTAL
Parks	\$3,246,669.51		\$3,246,669.51
Trails	\$165,140.20		\$165,140.20
Recreational Facilities	\$561,325.07		\$561,325.07
Aquatic Facilities		\$74,108.07	\$74,108.07
TOTAL	\$3,973,134.78	\$74,108.07	\$4,047,242.85

Consideration of All Revenue Sources

Utah Code 11-36a-302(2)

Grants. The City is unaware of any potential grant sources for future parks, recreation and trails development. However, should it be the recipient of any such grants, it will then look at the potential to reduce impact fees.

The City has no knowledge of any future parks, trails or recreation gifts that will be received by the City. Further, the City has conservatively excluded any gifted properties, or properties acquired through grant funds, in establishing its level of service used in the calculation of impact fees.

Bonds. The City has no outstanding bonds for parks, trails, or recreation, therefore, no credits for bonds will need to be considered in the calculation of impact fees.

Interfund Loans. The City currently has no plans to purchase parks, recreation or trail facilities through any interfund loans and has not done so in the past

Transfer from General Fund. To the extent that the City is able to generate net revenues in its General Fund, it may choose to transfer all or a portion of the net revenues to the City's capital fund. It is most likely that, if net revenues should be generated for park facilities, they will be used to raise existing service levels rather than offset the demands generated by new development which is anticipated to be offset with impact fees.

Impact Fees. Because of the growth anticipated to occur in the City, impact fees are a viable means of allowing new development to pay for the impacts that it places on the existing system. This IFFP is developed in accordance with legal guidelines so that an Impact Fee Analysis for Parks, Recreation and Trails may be prepared, and the City may charge impact fees for Parks, Recreation and Trails.

Anticipated or Accepted Dedications of System Improvements.

Any item that a developer funds must be included in the IFFP if a credit against impact fees is to be issued and must be agreed upon with the City before construction of the improvements.

Certification

Zions Bank Public Finance certifies that the attached impact fee facilities plan:

1. Includes only the costs of public facilities that are:
 - a. allowed under the Impact Fees Act; and
 - b. actually incurred; or
 - c. projected to be incurred or encumbered within six years after the day on which each impact fee is paid;
2. Does not include:
 - a. costs of operation and maintenance of public facilities;
 - b. costs for qualifying public facilities that will raise the level of service for the facilities, through impact fees, above the level of service that is supported by existing residents;
3. Complies in each and every relevant respect with the Impact Fees Act.



MURRAY
CITY COUNCIL

Discussion Item #2



MURRAY


Community & Economic Development

Amendment of Chapter 15.08 Building Permits

Council Action Request

Committee of the Whole

Meeting Date: October 5, 2021

Department Director Melinda Greenwood Phone # 801-270-2428 Presenters Melinda Greenwood Don Steffenson Required Time for Presentation 20 Minutes Is This Time Sensitive No Mayor's Approval  Date August 10, 2021	Purpose of Proposal Staff is requesting changes to building permit fees that are set forth in Chapter 15.08 of the City Code. Action Requested Staff requests the City Council approve the proposed changes to Murray City Code 15.08 Building Permits Attachments Draft Ordinance: clean and red-lined copies; February 2021 building valuation fees Budget Impact Unknown. Description of this Item The 1997 Uniform Administrative Code Section 304.2 requires that the legislative body of an entity establish fees for building permits. This is done through Murray City Code Chapter 15.08 Building Permits . The Building Division has need to update and clarify building permit fees. Building permit fees are assessed when building permits are issued and permit fees pay for the inspection and plan review services the City provides. Calculation of building permit fees are based on two items. First, the City uses the 1997 Uniform Administrative Code as the mathematical formula for calculating the fees. Second, we use the annual ICC Building Valuation Data to determine the actual amount of the fees used within the formulas. The proposed changes to Chapter 15.08 will bring fee calculations in line with International Code Council (ICC) industry standards and will allow for a more straightforward calculation of fees.
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CHAPTER 15.08 BUILDING PERMITS

SECTION:

15.08.010: Permits; Administration And Enforcement, Violations

15.08.020: One- And Two-Family Residential Fees

15.08.030: Multi-Family Residential And Commercial Fees

15.08.040: Single-Family Residential Building Permit; Review Of Inspection

15.08.010: PERMITS; ADMINISTRATION AND ENFORCEMENT, VIOLATIONS:

A. Permits: The 1997 edition of the Uniform Administrative Code (ISSN 0896-9698), published by the International Conference of Building Officials is adopted by reference, with the following changes and exceptions:

1. The following definitions listed in chapter 1, section 103, are amended to read:
"Building Code" is the international building code and the international residential code promulgated by the International Code Council, as applicable, adopted and amended by the State of Utah.

"Electrical Code" is the national electrical code promulgated by the National Fire Protection Association, as adopted by the State of Utah.

"Mechanical Code" is the international mechanical code promulgated by the International Code Council and the international fuel gas code promulgated by the International Code Council, as applicable, adopted and amended by the State of Utah.

"One And Two Family Dwellings" are detached one and two family dwellings and multiple single family dwellings (townhouses) not more than three stories in height with a separate means of egress and their accessory structures.

"Plumbing Code" is the international plumbing code promulgated by the International Code Council, as adopted and amended by the State of Utah.

"Valuation Or Value", as applied to a building and its building service equipment, shall be the estimated cost to replace the building and its building service equipment in kind, based on the current replacement as annually determined by the building official from building valuation data published by the International Code Council in February, to be effective the following July 1st.

2. Subsection 303.1 is amended by adding the following paragraph:
Fire sprinkling systems require a separate permit and fee which is calculated according to section 304 and table 3-A.

3. Fees for residential and commercial buildings are particularly set forth in sections 15.08.020 and 15.08.030 of the City Code.

4. Subsection 303.4 is amended by adding the following exception after the first paragraph:

Exception #1. Reinstatement of Expired Permits. Reinstatement of expired permits shall be based on the following:

- a. Reinstatement fees must be paid. Fees for reinstatement of expired permits shall be charged as follows:
 - i. \$100.00 if the permittee voluntarily requests the permit to be reinstated without reminders from staff, or if there is only one phone call and/or email from staff reminding permittee to request a reinstatement of the permit;
 - ii. \$250.00 if staff must send one or more letters to permittee; or
 - iii. \$400.00 if letters from staff are sent and a notice of non-compliance is filed.
 - b. In cases where a project completion deposit was collected by the City, the deposit will be reinstated upon the reinstatement of the building permit.
5. Subsection 304.5.2 is amended by adding the following exception after the first paragraph:
 - a. Exception #1. Investigation fee for an owner/builder project shall be the lesser of \$200.00 or a charge equal to 1/2 the amount of the permit fee required by this Code.
 6. Subsection 305.2 is deleted.

- B. Sanctions: It is unlawful for a person, firm or corporation to erect, construct, enlarge, alter, repair, move, improve, convert or demolish, equip, use, occupy or maintain any building, structure or building service equipment or cause or permit the same to be done in violation of the Uniform Administrative Code, the Uniform Code for the Abatement of Dangerous Buildings and the Uniform Technical Construction Codes. Each violation is a Class B misdemeanor. (Ord. 19-02)

15.08.020: ONE- AND TWO-FAMILY RESIDENTIAL FEES:

- A. Residential Fees: Fee tables 3-A through 3-D, 3-G and 3-H of the 1997 edition of the Uniform Administrative Code as promulgated by the International Conference of Building Officials (ISSN 0896-9698) are adopted by reference, with the following changes:
 1. Subsection 304.2: The first paragraph of subsection 304.2 shall read:
304.2 Permit Fees. The fee for each building permit shall be the amount as set forth in table 3-A. The fees for electrical permits, mechanical permits, plumbing permits and grading shall be the amount set forth in tables no. 3-B, 3-C, 3-D, 3-G and 3-H, as applicable, except that the minimum fee according to any table is \$50.00 and the minimum fee for each supplemental permit is \$10.00.

2. Subsection 304.3: The first paragraph of subsection 304.3 shall read:
304.3 Residential Plan Review Fees. When a plan or other data are required to be submitted by section 302.2, fees required hereunder shall be paid at the time of permit issuance.

(Plan review for residential, multifamily residential and commercial buildings are set forth in section 15.08.030 of the city code.)

The plan review fee for one or two-family dwellings is the lesser of actual costs of performing the plan review or 50 percent (50%) of the building permit fee. Plan review fees for buildings or structures which are identical (except for site considerations) to those previously reviewed and approved by the City is the lesser of costs incurred in reviewing the plan or 10 percent (10%) of the building permit fee. Plan review fees for buildings or structures which are similar (except for site considerations and minor changes or options), and are part of the same project, to those previously reviewed and approved by the City shall be the lesser of the costs incurred in reviewing the plan or 25% percent (25%) of the building permit fee.

The plan review fees for electrical, mechanical and plumbing work for other than one and two-family dwellings shall be equal to the lesser of actual costs of performing the plan review of 50 percent (50%). The plan review fees for solar (photovoltaic) is the lesser of actual costs of performing the plan review or or 22.5 percent (22.5%) of the total permit fee as set forth in tables 3-B, 3-C and 3-D.

The plan review fee for grading work shall be the lesser of actual costs incurred to review the plan or fees as set forth in table 3-G.

The plan review fees specified in this subsection are separate fees from the permit fees specified in section 304.2 and are in addition to the permit fees.

3. Amendments to Tables: Tables 3-A, 3-B, 3-C, 3-D, and 3-H delete the sections labeled "Other Inspections And Fees" and replace with the following:

Other Inspections And Fees.

1. Inspection outside of normal business hours: \$80.00 per hour (minimum-two hours)
2. Reinspection fee assessed under provisions of section 305.8: \$50.00 per inspection
3. Inspections for which no fee is specifically indicated: \$50.00 per hour (minimum-1/2 hour)
4. Additional plan review required by changes, additions or revisions to plans or to plans for which an initial plan review has been completed: \$80.00 per hour (minimum-1/2 hour)
5. State surcharge equal to 1% the total of the building permit, plumbing permit, electrical permit, mechanical permit, and grading permit.

4. Add to table 3-D, sewer connection inspection fee \$50.00.
(Ord. 19-02)

15.08.030: MULTI-FAMILY RESIDENTIAL AND COMMERCIAL FEES:

- A. Uniform Administrative Fee Tables: Fee tables 3-A through 3-D, 3-G and 3-H of the 1997 edition of the Uniform Administrative Code as promulgated by the International Conference of Building Officials (ISSN 0896-9698) are adopted by reference, with the following changes.
- B. Fees For Multi-Family Residential And Commercial Buildings: Except as otherwise provided in this chapter, building permit fees for commercial buildings are the amount set as stated in table 3-A. The fees for electrical permits, mechanical permits, plumbing permits and grading permits shall be the amounts set forth in tables 3-B, 3-C, 3-D, 3-G and 3-H, as applicable, except that the minimum fee according to any table is fifty dollars (\$50.00) and the minimum fee for each supplemental permit is ten dollars (\$10.00).
- C. Residential, Multi-Family Residential and Commercial Plan Review Deposits:
1. When submittal documents are required by subsection 302.2 of the Uniform Administrative Code, a plan review deposit shall be paid at the time of submitting the submittal documents for plan review. A plan review deposit shall be paid as follows:

New Residential Dwellings	\$200.00
Commercial Building and Remodels	
Valuation	
\$100K to \$300K	\$200.00
\$301K to \$500K	\$1,000.00
\$501K to \$1M	\$2,000.00
>\$1M	\$5,000.00
>\$10M	\$10,000.00

2. The plan review fee for commercial buildings or structures is the lesser of actual costs incurred to review the plan or sixty five percent (65%) of the building permit fee. Plan review fees for buildings or structures which are identical (except for site considerations) to those previously reviewed and approved by the City is lesser of costs incurred in reviewing the plan or ten percent (10%) of the building permit fee.

When submittal documents are incomplete or changed so as to require additional plan review or when the project involves deferred submittal items as defined in section 302.4.2 of the Uniform Administrative Code, an additional plan review fee shall be charged at the rate shown in tables 3-A through 3-G.

The plan review fees for electrical, mechanical and plumbing work shall be equal to the lesser of actual costs incurred to review the plan of 65 percent (65%)

The plan review fees for solar (photovoltaic) is the lesser of actual costs of performing the plan review or or twenty-two and one-half percent (22.5%) of the total permit fee as set forth in tables 3-B, 3-C and 3-D.

The plan review fees specified in this subsection are separate fees from the permit fees specified in section 304.2 and are in addition to the permit fees.

- D. Miscellaneous Commercial Fees: The following fees are imposed in addition to other fees required by this chapter for commercial buildings:
 - A. Inspection For Change In Use: Prior to issuance of a building permit, if a preinspection is requested by an individual seeking general information regarding the change in use of a building under International Building Code section 3405, a one hundred ~~fifty~~ sixty dollar (~~\$150.00~~ \$160.00) fee shall be paid by the person prior to any site inspection.
 - B. Additional Amendments: Amend tables 3-A, 3-B, 3-C, 3-D, and 3-H to delete the sections labeled "Other Inspections And Fees" and replace with the following:
Other Inspections And Fees.
 - 1. Inspection outside of normal business hours: \$80-- per hour (minimum-two hours)
 - 2. Reinspection fee assessed under provisions of section 305.8: \$50.00 per inspection
 - 3. Inspections for which no fee is specifically indicated: \$50.00 per hour (minimum-1/2 hour)
 - 4. Additional plan review required by changes, additions or revisions to plans or to plans for which an initial plan review has been completed: \$80.00 per hour (minimum-1/2 hour)
 - 5. State surcharge equal to 1% the total of the building permit, plumbing permit, electrical permit, mechanical permit, and grading permit.
 - C. Add to table 3-D, sewer connection inspection fee \$50.00.
 - D. General Fund Department Projects: Construction and demolition-related fees imposed by this section are hereby waived for general fund departments. (Ord. 20-05: Ord. 19-02)

CHAPTER 15.08 BUILDING PERMITS

SECTION:

- 15.08.010: Permits; Administration And Enforcement, Violations
- 15.08.020: One- And Two-Family Residential Fees
- 15.08.030: Multi-Family Residential And Commercial Fees
- 15.08.040: Single-Family Residential Building Permit; Review Of Inspection

15.08.010: PERMITS; ADMINISTRATION AND ENFORCEMENT, VIOLATIONS:

A. Permits: The 1997 edition of the Uniform Administrative Code (ISSN 0896-9698), published by the International Conference of Building Officials is adopted by reference, with the following changes and exceptions:

1. The following definitions listed in chapter 1, section 103, are amended to read:
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"Electrical Code" is the national electrical code promulgated by the National Fire Protection Association, as adopted by the State of Utah.

"Mechanical Code" is the international mechanical code promulgated by the International Code Council and the international fuel gas code promulgated by the International Code Council, as applicable, adopted and amended by the State of Utah.

"One And Two Family Dwellings" are detached one and two family dwellings and multiple single family dwellings (townhouses) not more than three stories in height with a separate means of egress and their accessory structures.

"Plumbing Code" is the international plumbing code promulgated by the International Code Council, as adopted and amended by the State of Utah.

"Valuation Or Value", as applied to a building and its building service equipment, shall be the estimated cost to replace the building and its building service equipment in kind, based on the current replacement as annually determined by the building official from building valuation data published by the International Code Council in February, to be effective the following July 1st.

2. Subsection 303.1 is amended by adding the following paragraph:

Fire sprinkling systems require a separate permit and fee which is calculated according to section 304 and table 3-A.

3. Fees for residential and commercial buildings are particularly set forth in sections 15.08.020 and 15.08.030 of the City Code.

4. Subsection 303.4 is amended by adding the following exception after the first paragraph:

Exception #1. Reinstatement of Expired Permits. Reinstatement of expired permits shall be based on the following:

- ~~a. Requests for reinstatement must be in writing; and~~
- b. Reinstatement fees must be paid. Fees for reinstatement of expired permits shall be charged as follows:
 - i. \$100.00 if the permittee voluntarily requests the permit to be reinstated without reminders from staff, or if there is only one phone call and/or email from staff reminding permittee to request a reinstatement of the permit;
 - ii. \$250.00 if staff must send one or more letters to permittee; or
 - iii. \$400.00 if letters from staff are sent and a notice of non-compliance is filed.
- c. In cases where a project completion deposit was collected by the City, the deposit will be reinstated upon the reinstatement of the building permit.

~~3.5.~~ Subsection 304.5.2 is amended by adding the following exception after the first paragraph:

- a. Exception #1. Investigation fee for an owner/builder project shall be the lesser of \$200.00 or a charge equal to 1/2 the amount of the permit fee required by this Code.

~~6.~~ Subsection 305.2 is deleted.

~~A.B.~~ Sanctions: It is unlawful for a person, firm or corporation to erect, construct, enlarge, alter, repair, move, improve, convert or demolish, equip, use, occupy or maintain any building, structure or building service equipment or cause or permit the same to be done in violation of the Uniform Administrative Code, the Uniform Code for the Abatement of Dangerous Buildings and the Uniform Technical Construction Codes. Each violation is a Class B misdemeanor. (Ord. 19-02)

15.08.020: ONE- AND TWO-FAMILY RESIDENTIAL FEES:

~~A.~~ Residential Fees: Fee tables 3-A through 3-D, 3-G and 3-H of the 1997 edition of the Uniform Administrative Code as promulgated by the International Conference of Building Officials (ISSN 0896-9698) are adopted by reference, with the following changes:

1. Subsection 304.2: The first paragraph of subsection 304.2 shall read:
304.2 Permit Fees. The fee for each building permit shall be the amount as set forth in table 3-A. The fees for electrical permits, mechanical permits, plumbing permits and grading shall be the amount set forth in tables no. 3-B, 3-C, 3-D, 3-G and 3-H, as applicable, except that the minimum fee according to any table is \$50.00 and the minimum fee for each supplemental permit is \$10.00.

2. Subsection 304.3: The first paragraph of subsection 304.3 shall read:
- 304.3 Residential Plan Review Fees. When a plan or other data are required to be submitted by section 302.2, fees required hereunder shall be paid at the time of permit issuance.

(Plan review for residential, multifamily residential and commercial buildings are set forth in section 15.08.030 of the city code.)

The plan review fee for ~~one-one~~ or ~~two-two~~-family dwellings is the lesser of actual costs of performing the plan review or 50 percent (50%) of the building permit fee. Plan review fees for buildings or structures which are identical (except for site considerations) to those previously reviewed and approved by the City is the lesser of costs incurred in reviewing the plan or 10 percent ~~-(10%)~~ of the building permit fee. Plan review fees for buildings or structures which are similar (except for site considerations and minor changes or options), and are part of the same project, to those previously reviewed and approved by the City shall be the lesser of the costs incurred in reviewing the plan or 25% percent (25%) of the building permit fee.

The plan review fees for electrical, mechanical and plumbing work for other than one and ~~two-two~~-family dwellings shall be equal to the lesser of actual costs of performing the plan review of 50 percent (50%).
The plan review fees for solar (photovoltaic) is the lesser of actual costs of performing the plan review or or 22.5 percent (22.5%) of the total permit fee as set forth in tables 3-B, 3-C and 3-D.

The plan review fee for grading work shall be the lesser of actual costs incurred to review the plan or fees as set forth in table 3-G.

The plan review fees specified in this subsection are separate fees from the permit fees specified in section 304.2 and are in addition to the permit fees.

~~3.—Amendments to Tables: Tables 3-B, 3-C, 3-D, 3-G and 3-H increase all the amounts in the unit fee schedule by fifteen percent (15%).~~

~~4.3.~~ Tables 3-A, 3-B, 3-C, 3-D, and ~~3-G-H~~ delete the sections labeled "Other Inspections And Fees" and replace with the following:

Other Inspections And Fees.

1. Inspection outside of normal business hours: ~~\$80.00—~~ per hour (minimum-two hours)
2. Reinspection fee assessed under provisions of section 305.8: \$50.00 per inspection
3. Inspections for which no fee is specifically indicated: \$50.00 per hour (minimum-1/2 hour)

4. Additional plan review required by changes, additions or revisions to plans or to plans for which an initial plan review has been completed: \$80.00 per hour (minimum-1/2 hour)
- ~~5.~~ State surcharge equal to 1% the total of the building permit, plumbing permit, electrical permit, ~~and~~ mechanical permit, and grading permit.
- 5.

5.4. Add to table 3-D, sewer connection inspection fee \$50.00.

(Ord. 19-02)

15.08.030: MULTI-FAMILY RESIDENTIAL AND COMMERCIAL FEES:

A. Uniform Administrative Fee Tables: Fee tables 3-A through 3-D, 3-G and 3-H of the 1997 edition of the Uniform Administrative Code as promulgated by the International Conference of Building Officials (ISSN 0896-9698) are adopted by reference, with the following changes.

B. Fees For Multi-Family Residential And Commercial Buildings: Except as otherwise provided in this chapter, building permit fees for commercial buildings are the amount set as stated in table 3-A. The fees for electrical permits, mechanical permits, plumbing permits and grading permits shall be the amounts set forth in tables 3-B, 3-C, 3-D, 3-G and 3-H, as applicable, except that the minimum fee according to any table is fifty dollars (\$50.00) and the minimum fee for each supplemental permit is ten dollars (\$10.00).

A.C. Residential. Multi-Family Residential ~~a~~ And Commercial Plan Review Deposits:

1. When submittal documents are required by subsection 302.2 of the Uniform Administrative Code, a plan review deposit shall be paid at the time of submitting the submittal documents for plan review. A plan review deposit shall be paid as follows:

Commercial buildings:	-
0 to 4,999 square feet	\$1,000.00
5,000 to 9,999 square feet	2,000.00
10,000 square feet and larger	3,500.00
 New Residential Dwellings	 \$200.00
 Commercial Building and Remodels	
Valuation	
\$100K to \$300K	\$200.00

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<u>\$301K to \$500K</u>	<u>\$1,000.00</u>
<u>\$501K to \$1M</u>	<u>\$2,000.00</u>
<u>>\$1M</u>	<u>\$5,000.00</u>
<u>>\$10M</u>	<u>\$10,000.00</u>

2. The plan review fee for commercial buildings or structures is the lesser of actual costs incurred to review the plan or sixty five percent (65%) of the building permit fee. Plan review fees for buildings or structures which are identical (except for site considerations) to those previously reviewed and approved by the City is lesser of costs incurred in reviewing the plan or ten percent (10%) of the building permit fee.

When submittal documents are incomplete or changed so as to require additional plan review or when the project involves deferred submittal items as defined in section 302.4.2 of the Uniform Administrative Code, an additional plan review fee shall be charged at the rate shown in tables 3-A through 3-G.

The plan review fees for electrical, mechanical and plumbing work shall be equal to the lesser of actual costs incurred to review the plan of 65 percent (65%)
The plan review fees for solar (photovoltaic) is the lesser of actual costs of performing the plan review or or twenty-two and one-half percent (22.5%) of the total permit fee as set forth in tables 3-B, 3-C and 3-D.

The plan review fees specified in this subsection are separate fees from the permit fees specified in section 304.2 and are in addition to the permit fees.

B.D. Miscellaneous Commercial Fees: The following fees are imposed in addition to other fees required by this chapter for commercial buildings:

- A. Inspection For Change In Use: Prior to issuance of a building permit, if a preinspection is requested by an individual seeking general information regarding the change in use of a building under International Building Code section 3405, a one hundred fifty sixty dollar (\$150.00 \$160.00) fee shall be paid by the person prior to any site inspection.

- B. Amendments: Table 3-B (1997 edition) shall omit "temporary power service" fees, and add the category for "new commercial buildings" as follows:

New Commercial Buildings

New retail stores including new commercial buildings:

For new retail stores including retail, storage, office and restroom areas, per square foot — \$.040

For new office buildings and restaurants all areas, per square foot — .050

For new storage warehouses all areas other than offices, per square foot — .025

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~~For multi-family residential, other types for commercial buildings and unusual conditions use the unit fee schedule~~

~~Amend tables 3-B, 3-C, 3-D, 3-G and 3-H to increase all the amounts in the unit fee schedule by fifteen percent (15%).~~

~~C.B.~~ Additional Amendments: Amend tables 3-A, 3-B, 3-C, 3-D, and 3-~~G-H~~ to delete the sections labeled "Other Inspections And Fees" and replace with the following:

Other Inspections And Fees.

1. Inspection outside of normal business hours: ~~\$7580~~-- per hour (minimum-two hours)
2. Reinspection fee assessed under provisions of section 305.8: \$50.00 per inspection
3. Inspections for which no fee is specifically indicated: \$50.00 per hour (minimum-1/2 hour)
4. Additional plan review required by changes, additions or revisions to plans or to plans for which an initial plan review has been completed: \$80.00 per hour (minimum-1/2 hour)
5. State surcharge equal to 1% the total of the building permit, plumbing permit, electrical permit, ~~and~~ mechanical permit, ~~and~~ grading permit.

~~C.~~ Add to table 3-D, sewer connection inspection fee \$50.00.

D. General Fund Department Projects: Construction and demolition-related fees imposed by this section are hereby waived for general fund departments. (Ord. 20-05: Ord. 19-02)

~~15.08.040: SINGLE-FAMILY RESIDENTIAL BUILDING PERMIT; REVIEW OF INSPECTION:~~

~~A. Request For Review Of Inspection: All building permit applicants for a single-family residential building permit may request a review of an inspection conducted by a building inspector except as provided in subsection E of this section. A written request must be filed with the Mayor's Office within ten (10) working days from the date of the inspection. All requests for review not presented to the Mayor's Office prior to the established deadline shall not be considered.~~

~~B. Notification; Determination: Upon receipt of the written request for review under this section, the Mayor or designee shall schedule a date and time to review the inspection and notify the aggrieved applicant, by certified mail or personal service, of the review date and time within six (6) calendar days, excluding weekends and holidays, from the date the written request for review was filed with the Mayor's Office. The review shall be held within fifteen (15) calendar days after the Mayor's Office receives the written request. The Mayor or designee shall receive evidence and testimony relevant to the request. The Mayor or designee shall determine whether the inspection constituted a fair administration of the Building Code.~~

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~~C. Issuance Of Order: Within three (3) working days after the conclusion of the review, the Mayor or designee shall issue an order and notify the aggrieved applicant of the order by certified mail or personal service.~~

~~D. Time Requirements: Any time requirements provided herein may be extended by written stipulation of the Mayor or designee and the aggrieved applicant.~~

~~E. Review May Not Conflict With Appeal Under International Residential Code (IRC): A review pursuant to this section:~~

- ~~1. May not be used to review a matter that may be brought by appeal under the IRC;~~
- ~~2. Is separate and unrelated to an appeal under the IRC;~~
- ~~3. May not result in the waiver or modification of an IRC requirement or standard;~~
- ~~4. May not conflict with an appeal, or the result of an appeal under the IRC; and~~
- ~~1. Does not prohibit a person from bringing an appeal under the IRC.~~

~~F. Appeal: A person who requests a review may not be prohibited by preclusion, estoppel, or otherwise from raising an issue or bringing a claim in an appeal under the IRC on the grounds that the person raised the issue or brought the claim in the review described in this section. (Ord. 17-31)~~

Building Valuation Data – February 2021

Square Foot Construction Costs ^{a, b, c}

Group (2018 International Building Code)	IA	IB	IIA	IIB	IIIA	IIIB	IV	VA	VB
A-1 Assembly, theaters, with stage	263.06	254.15	247.55	237.53	223.05	216.60	229.90	207.42	199.94
A-1 Assembly, theaters, without stage	241.02	232.11	225.51	215.49	201.01	194.56	207.86	185.38	177.89
A-2 Assembly, nightclubs	205.93	199.80	194.89	186.91	176.19	171.34	180.27	159.46	154.02
A-2 Assembly, restaurants, bars, banquet halls	204.93	198.80	192.89	185.91	174.19	170.34	179.27	157.46	153.02
A-3 Assembly, churches	243.83	234.92	228.32	218.30	204.21	198.79	210.67	188.58	181.10
A-3 Assembly, general, community halls, libraries, museums	204.02	195.11	187.51	178.49	163.01	157.56	170.86	147.38	140.89
A-4 Assembly, arenas	240.02	231.11	223.51	214.49	199.01	193.56	206.86	183.38	176.89
B Business	212.46	204.72	197.90	188.18	171.81	165.32	180.77	151.15	144.35
E Educational	222.69	214.99	208.81	199.81	186.17	176.74	192.93	162.78	157.80
F-1 Factory and industrial, moderate hazard	125.58	119.68	112.86	108.68	97.37	92.83	104.02	80.23	75.34
F-2 Factory and industrial, low hazard	124.58	118.68	112.86	107.68	97.37	91.83	103.02	80.23	74.34
H-1 High Hazard, explosives	117.37	111.47	105.65	100.47	90.40	84.87	95.81	73.27	N.P.
H234 High Hazard	117.37	111.47	105.65	100.47	90.40	84.87	95.81	73.27	67.37
H-5 HPM	212.46	204.72	197.90	188.18	171.81	165.32	180.77	151.15	144.35
I-1 Institutional, supervised environment	211.58	204.34	198.27	190.28	175.02	170.20	190.53	156.95	152.25
I-2 Institutional, hospitals	355.95	348.21	341.39	331.67	314.48	N.P.	324.26	293.82	N.P.
I-2 Institutional, nursing homes	247.27	239.53	232.71	222.99	207.36	N.P.	215.58	186.70	N.P.
I-3 Institutional, restrained	241.59	233.85	227.03	217.31	202.46	194.97	209.90	181.80	173.00
I-4 Institutional, day care facilities	211.58	204.34	198.27	190.28	175.02	170.20	190.53	156.95	152.25
M Mercantile	153.55	147.41	141.50	134.53	123.48	119.63	127.88	106.75	102.31
R-1 Residential, hotels	213.59	206.35	200.28	192.29	176.78	171.95	192.54	158.70	154.00
R-2 Residential, multiple family	179.04	171.80	165.73	157.74	143.25	138.43	157.99	125.18	120.47
R-3 Residential, one- and two-family ^d	166.68	162.17	157.99	154.10	149.61	144.19	151.48	138.79	130.58
R-4 Residential, care/assisted living facilities	211.58	204.34	198.27	190.28	175.02	170.20	190.53	156.95	152.25
S-1 Storage, moderate hazard	116.37	110.47	103.65	99.47	88.40	83.87	94.81	71.27	66.37
S-2 Storage, low hazard	115.37	109.47	103.65	98.47	88.40	82.87	93.81	71.27	65.37
U Utility, miscellaneous	89.90	84.75	79.27	75.71	67.97	63.50	72.24	53.83	51.28

- a. Private Garages use Utility, miscellaneous
- b. For shell only buildings deduct 20 percent
- c. N.P. = not permitted
- d. Unfinished basements (Group R-3) = \$23.20 per sq. ft.



Discussion Item #3



MURRAY


Community & Economic Development

Amend Chapter 2.68 to Rename MCCD Review Committee

Council Action Request

Committee of the Whole

Meeting Date: October 5, 2021

Department Director Melinda Greenwood Phone # 801-270-2428 Presenters Melinda Greenwood Jared Hall Required Time for Presentation 10 Minutes Is This Time Sensitive No Mayor's Approval  Date September 9, 2021	Purpose of Proposal To amend Chapter 2.68 to reflect the new name of MCCD Review Committee and require annual meetings. Action Requested Approval of proposed ordinance amendments. Attachments Chapter 2.68 red-line edits Budget Impact None. Description of this Item During the MCCD revisions approved by the City Council on July 20, 2021, the MCCD Design Review Committee was renamed to the <i>MCCD Review Committee</i> (MCCD RC). It is hoped this revision will limit the misconception that the MCCD Review Committee influences architectural design of buildings. The MCCD Review Committee acts in an advisory capacity to the Planning Commission and City Council and serves to facilitate the design review approval process. The purpose of the MCCD Review Committee is to provide technical expertise to positively influence site design and ensure projects are in harmony with the purpose of the MCCD Zone and the principles outlined in the MCCD Design Guidelines. The code also requires the MCCD RC to meet quarterly regardless of what projects needs may or may not be. Staff recommends changing meeting requirements to holding at least one annual meeting.
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CHAPTER 2.68

MURRAY CITY CENTER DISTRICT ~~DESIGN~~-REVIEW COMMITTEE

SECTION:

2.68.010: Created

2.68.020: Membership Terms And Vacancies

2.68.030: Duties

2.68.040: Organization And Meeting Requirement

2.68.050: Compensation

2.68.010: CREATED:

The Murray City Center District ~~Design~~-Review Committee is created. It shall consist of five (5) voting members, all of whom shall be appointed by the Mayor with the advice and consent of the Murray City Council. Three (3) of the members shall be residents of the City; and the two (2) remaining members may reside within or outside the City. The members shall be professionals from the disciplines of architecture, historic preservation, landscape architecture, planning, engineering, history, archeology or law or other related professional fields. Members may not hold any other office or position in the City administration. (Ord. 16-17)

2.68.020: MEMBERSHIP TERMS AND VACANCIES:

Members shall serve for a term of three (3) years and may be removed by the Mayor, with the provision that the first appointment of one member shall be for a term of one year; the first appointment of two (2) members shall be for a term of two (2) years; the first appointment of the remaining two (2) members shall be for a term of three (3) years; thereafter the members shall be appointed for three (3) year terms and all terms shall expire on January 1. Vacancies occurring through expiration of terms of appointment, death, disability, resignation or removal by the Mayor, if applicable, shall be filled by appointment of the Mayor with the advice and consent of the Murray City Council. Members shall not serve more than three (3) consecutive terms. "Term", as used in this chapter shall mean serving on such advisory board for at least eighteen (18) months. (Ord. 16-17)

2.68.030: DUTIES:

The committee shall recommend modifications to the Murray City Center District ordinance and design guidelines and all revisions, additions or deletions thereto, to the Murray City Council for adoption. The committee shall meet with applicants seeking a certificate of appropriateness for major alterations and new construction within the Murray City Center District. The committee shall review and provide written comment to the City Planning and Zoning Commission regarding approving or denying all proposed applications for certificates of appropriateness. The committee shall ensure that projects within the Murray City Center District meet the vision and requirements of the District. The committee shall advise officials of the City and other governmental entities regarding the Murray City Center District. (Ord. 16-17)

2.68.040: ORGANIZATION AND MEETING REQUIREMENT:

The committee shall select a chair and adopt rules for the selection of other officers; the time, place and manner of calling meetings; and such other rules governing the conduct of the committee's business as it deems necessary to fulfill its purposes as provided in this chapter. The committee shall meet at least ~~quarterly~~annually. A majority of its members shall constitute a quorum for the consideration of matters before it. (Ord. 16-17)

2.68.050: COMPENSATION:

Members are not entitled to compensation for service on the committee. Close cooperation between the City and the committee is both expected and anticipated. To the extent that this cooperation can be provided within the framework of the normal course of carrying out the duties of each entity, the cooperation can and will be provided as each entity requests and as each entity can satisfy those requests. (Ord. 16-17)



Discussion Item #4



MURRAY


Community & Economic Development

General Plan Amendment, Text of Chapter 5 - Land Use & Urban Design to add CMU and VMU Category.

Council Action Request

Committee of the Whole

Meeting Date: October 5, 2021

Department Director Melinda Greenwood Phone # 801-270-2428 Presenters Melinda Greenwood Jared Hall Required Time for Presentation 15 Minutes Is This Time Sensitive No Mayor's Approval  Date September 27, 2021	Purpose of Proposal Approval of the proposed General Plan Amendment, Text of Chapter 5 - Land Use & Urban Design to add CMU and VMU Category. Action Requested Approval of the proposed General Plan Amendment, Text of Chapter 5 - Land Use & Urban Design to add CMU and VMU Category. Attachments Presentation Slides Budget Impact None. Description of this Item BACKGROUND In July 2021, the City Council created two new mixed-use zones: The Village Mixed Use, VMU and Centers Mixed Use, CMU Zones. When the amendments to the mixed-use zones were adopted, it became necessary to make a change to the General Plan to add them as a land use category. The 2017 Murray City General Plan includes a Future Land Use Map, which associates a "future land use category" to each property in the city. The "Mixed Use" land use category has been applied previously to several areas of the city and currently includes references to the existing M-U (now MCMU) Zone, and the TOD Zone. The existing Mixed Use category needs be changed to reflect the new MCMU title and to provide for VMU and CMU categories. Staff proposes that a "Village and Centers Mixed Use" category be created, and that the VMU and CMU Zones be listed as the corresponding zones for that category. Second, the existing Mixed-Use category be retitled for distinction as the "Transit Mixed Use."
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CITY DEPARTMENT REVIEW

The proposed ordinance was made available for review by City Staff from various departments on August 16, 2021. No comments were received.

PLANNING COMMISSION

Notice of the public hearing for the requested text amendment was sent to affected entities and posted on the State's public notice website. No comments have been received as of the writing of the Staff Report.

FINDINGS

1. The proposed changes are in harmony with the objectives and goals of the 2017 Murray City General Plan.
2. The proposed changes support recently approved amendments to the Murray City Land Use Ordinance regarding mixed-use zones.
3. The proposed changes are necessary in order that the 2017 Murray City General Plan and the Murray City Land Use Ordinances correspond appropriately one with another.

RECOMMENDATION

Based on the background, staff review, Planning Commission recommendation and findings, staff recommends the City Council **APPROVE** the proposed General Plan Amendment to the text of Chapter 5 - Land Use & Urban Design to add Centers Mixed Use (CMU) and Villages Mixed Use (VMU) category.

- d. Remove the underground vault, transformer, and line feeding the satellite facility prior to development.
6. The applicant shall work with Planning Division staff to include sidewalk connections and crosswalks to complete pedestrian circulation and include those connections on the Site Plan.
7. The applicant shall prepare and submit draft Home-Owners Association documents appropriately providing for the continued maintenance and care of commonly held property and improvements in the project for review and approval by City staff.
8. The subdivision improvements shall include the installation of street trees as required by Murray City Code.
9. All units within the subdivision shall comply with the requirements of the R-M-15 Zone as outlined in Chapter 17.120, Chapter 17.62, Condominiums, and Planned Unit Development as outlined in Chapter 17.60 of the Murray City Land Use Ordinance.
10. The applicant shall prepare a Final Subdivision Plat which complies with all requirements of Title 16, Murray City Subdivision Ordinance.
11. The subdivision plat shall be recorded within one year of the final approval by the Planning Commission or the subdivision plat approval shall be null and void.

Seconded by Sue Wilson.

Call vote was recorded by Mr. Hall.

 A Maren Patterson
 A Ned Hacker
 A Lisa Milkavich
 A Sue Wilson
 A Jeremy Lowry
 A Jake Pehrson

Motion passed 6-0.

LAND USE & URBAN DESIGN ELEMENT – Project #21-097

The Murray City Planning Division proposes amendments to the existing “Mixed Use” land use category and the addition of a “Village Mixed-Use and Centers Mixed Use” categories. The City Council recently amended all three of the existing mixed-use zones and added two new mixed-use zones. The 2017 Murray City General Plan has a “land use element” which is often referred to when considering changes of zoning. The element itself includes the Future Land Use Map, which applies a “future land use category” to each property in the city. The suggestion that was made is that we take the existing Mixed-Use category and retitle it Transit Mixed Use which will be indicative of zones near transit stations. The new category Village and Centers Mixed Use will have its own description and tie the two zones to it.

Ms. Patterson asked if anything currently designated as those zones would now be transit or the new mixed-use zones? Mr. Hall verified it could be either and displayed a map identifying the purple area as being retitled transit. Ms. Milkavich asked to review why these new zones were created and if the existing zones were a fitting zone and if this is a way to control density? Mr. Hall verified that the densities in VMU and CMU is 25-45 dwelling units to the acre. The commissioners had more discussion and questions about density and defining clearer boundaries for the zones. Mr. Hall specified TOD has been applied to the areas in the Fireclay District and the boundary for that zone is 4500 South, any farther from transit results in less connection to transit making VMU or CMU more appropriate and allows for lower density. He indicated that creating harder boundary lines limits flexibility in the zones. The commissioners provided some examples of different areas and buildings that exhibit the need for these changes. Ms. Milkavich stated its typically the landowners who request zone changes. There was some discussion about nodes and Ms. Patterson stated the park is a good example of a neighborhood node and if there could be a consideration to have something different in that area.

Ms. Patterson opened the meeting for public comment. No comments were made. The public comment portion for this agenda item was closed.

Ned Hacker made a motion that the Planning Commission forward a recommendation of approval to the City Council for the request to amend Chapter 5 the Land Use and Urban Design element of the 2017 Murray City General Plan. Seconded by Jake Pehrson.

Call vote was recorded by Mr. Hall.

 A Maren Patterson
 A Ned Hacker
 A Lisa Milkavich
 A Sue Wilson
 A Jeremy Lowry
 A Jake Pehrson

Motion passed 6-0.

OTHER BUSINESS

There will not be a September 16, 2021 meeting. Mr. Hall informed the commissioners they will be receiving some links for trainings. There was no other business.

Sue Wilson made a motion to adjourn. Motion seconded by Ned Hacker. A voice vote was made, motion passed 6-0. The meeting was adjourned at 8:32 p.m.

Jared Hall, Planning Division Manager



AGENDA ITEM # 7

ITEM TYPE:	General Plan Amendment, Text of Chapter 5 - Land Use & Urban Design		
ADDRESS:		MEETING DATE:	September 2, 2021
APPLICANT:	Planning Division Staff	STAFF:	Jared Hall, Planning Manager
PARCEL ID:		PROJECT NUMBER:	21-097
PROPOSED AMENDMENT	2017 Murray City General Plan, Future Land Use Categories		
REQUEST:	The Murray City Planning Division proposes amendments to the existing “Mixed Use” land use category and the addition of a “Village and Centers Mixed Use” category.		

I. BACKGROUND & STAFF REVIEW

Background

In July, 2021 the City Council adopted proposed changes to the City’s existing mixed-use zones and also created two new mixed-use zones: The Village Mixed Use, VMU and Centers Mixed Use, CMU Zones. The 2017 Murray City General Plan has a “land use element” which is often referred to when considering changes of zoning. The element itself includes the Future Land Use Map, which applies a “future land use category” to each property in the city. To facilitate use of the map, those categories are each subsequently briefly described for their purpose and intent, and a list of corresponding zones is provided to guide city officials in considering requests to apply or change zones. The “Mixed Use” land use category has been applied previously to several areas of the city and currently includes references to the existing M-U (now MCMU) Zone, and the TOD Zone. The existing Mixed Use category should be altered to reflect the new MCMU title as recently approved, and to provide another important distinction: the alterations of existing zones and the creation of new zones was necessary because the new mixed use zones were intended for use in different parts of the city, whereas the existing mixed use zones had been applied historically nearer to transit stations (specifically the Murray Central and Murray North stations.) As a result, not only are the VMU and CMU Zones not listed as corresponding zones in the current Mixed Use category (because they did not exist in 2017 when the plan was adopted), but they really don’t belong in the same category with the TOD and MCMU Zones which are more intense and intended for application near to the transit stations.

Proposed Change

Staff proposes the following: first, that a “Village and Centers Mixed Use” category be created, and that the VMU and CMU Zones be listed as the corresponding zones for that category. Second, the existing Mixed-Use category be retitled for distinction as the “Transit Mixed Use”

TRANSIT MIXED-USE

This designation is intended for ~~city center and~~ transit station areas where a mixed use neighborhood is desired and urban public services, including access to high-capacity transit, very frequent bus service, or BRT/Streetcar service are available or planned. This designation is intended to allow high-density multi-dwelling structures at an urban scale that include a mix of uses, usually in the same building and/or complex.

Density ranges is between ~~40~~ and ~~380~~ DU/AC.

Corresponding zone(s):

- ~~T-O-D~~, Transit oriented development, TOD
- ~~M-U, Murray Central~~ Mixed Use ~~Development~~ District, MCMU



VILLAGE & CENTERS MIXED USE

The Village & Centers Mixed Use Designation is intended to provide an opportunity for the measured, context sensitive addition of residential housing to existing commercial properties and developments along major transportation corridors and in and around retail and commercial centers and neighborhood nodes. Allowing the introduction of residential uses to these areas is intended to support the goals and principles of mixed-use development by facilitating a more compact, sustainable, and pedestrian oriented land use pattern as these existing commercial centers and corridors redevelop over time.

Density range is between 25 and 45 DU/AC.

Corresponding zone(s):

- Centers Mixed Use, CMU
- Village Mixed Use, VMU



Summary

When the amendments to the mixed-use zones were adopted, it became necessary to make a change to the General Plan in order that they correspond. Staff recommends that the changes are both necessary and appropriate.

II. CITY DEPARTMENT REVIEW

The proposed ordinance was made available for review by City Staff from various departments on August 16, 2021. No comments were received.

III. PUBLIC COMMENTS

Notice of the public hearing for the requested text amendment was sent to affected entities and posted on the State's public notice website. No comments have been received as of the writing of the Staff Report.

IV. FINDINGS

1. The proposed changes are in harmony with the objectives and goals of the 2017 Murray City General Plan.
2. The proposed changes support recently approved amendments to the Murray City Land Use Ordinance regarding mixed-use zones.
3. The proposed changes are necessary in order that the 2017 Murray City General Plan and the Murray City Land Use Ordinances correspond appropriately one with another.

V. STAFF RECOMMENDATION

Based on the background, staff review, and the findings in this report, Staff recommends that the Planning Commission **forward a recommendation of APPROVAL to the City Council for the request to amend the Chapter 5, the Land Use and Urban Design element of the 2017 Murray City General Plan as presented in the Staff Report.**

CHAPTER 5 - LAND USE AND URBAN DESIGN

Ideally, land use and zoning go hand-in-hand. Zoning is the means by which land within a city is divided into different land uses and building types. As Murray changed over time from agriculture to urban, zoning allowed the City to guide where particular types of land uses occur. Some areas, such as the majority of single family neighborhoods, are anticipated to remain stable and not change to a different land use type. Other areas, such as those along the TRAX line, are anticipated to change from industrial to commercial or mixed-uses. Addressing land use and zoning in this general plan is proactively preparing for anticipated change.

The purpose of the land use and urban design chapter is to effectively and efficiently provide a framework for carrying out the goals and policies of the General Plan through land use designations and the Future Land Use Map, the Zoning Map, and the Zoning Code. This chapter describes each of the future land use designations in Murray City and discusses how they relate to existing and proposed zoning. The relationship between land use designations and zoning is important so that as base zones and the Zoning Code are amended over the life of the General Plan, the goals and objectives of the plan are consistently carried out. The future land use map created for this General Plan was developed and informed by the City's previous version of the future land use map. The updated future land use map reflects the goals and objectives set out by the City through the process of the General Plan update. Other maps, such as each of the framework maps in the Five Key Initiatives, also inform land use and planning. For example, the identification of neighborhood nodes, key centers of employment and retail, and station villages around transit. Implementation actions regarding land use and urban design are also related to these maps, such as the recommendation to conduct Small Area Plans when there is a need to examine the areas around identified nodes and centers in more detail before land use and zoning decisions are made.



LAND USE & URBAN DESIGN GOAL AND SUPPORTING OBJECTIVES



5.1 WHAT WE KNOW

Within the boundaries of Murray, a total of nearly 7,500 acres is utilized by a range of land uses and supporting infrastructure systems.

MURRAY'S URBAN FORM

The original grid of Murray is a limited portion of the current boundary. The urban form shifted from the original modified grid surrounding by agricultural uses to a more suburban style of urban form. Contemporary subdivision patterns of urban form are seen in most neighborhoods outside of the historic districts. Transportation and auto-oriented commercial have directed the urban form of the main corridors.



Figure 5.1 Erikson Farm and Dairy



Figure 5.2 Erikson Farm surrounded by new development



Figure 5.3 Murray suburban development pattern

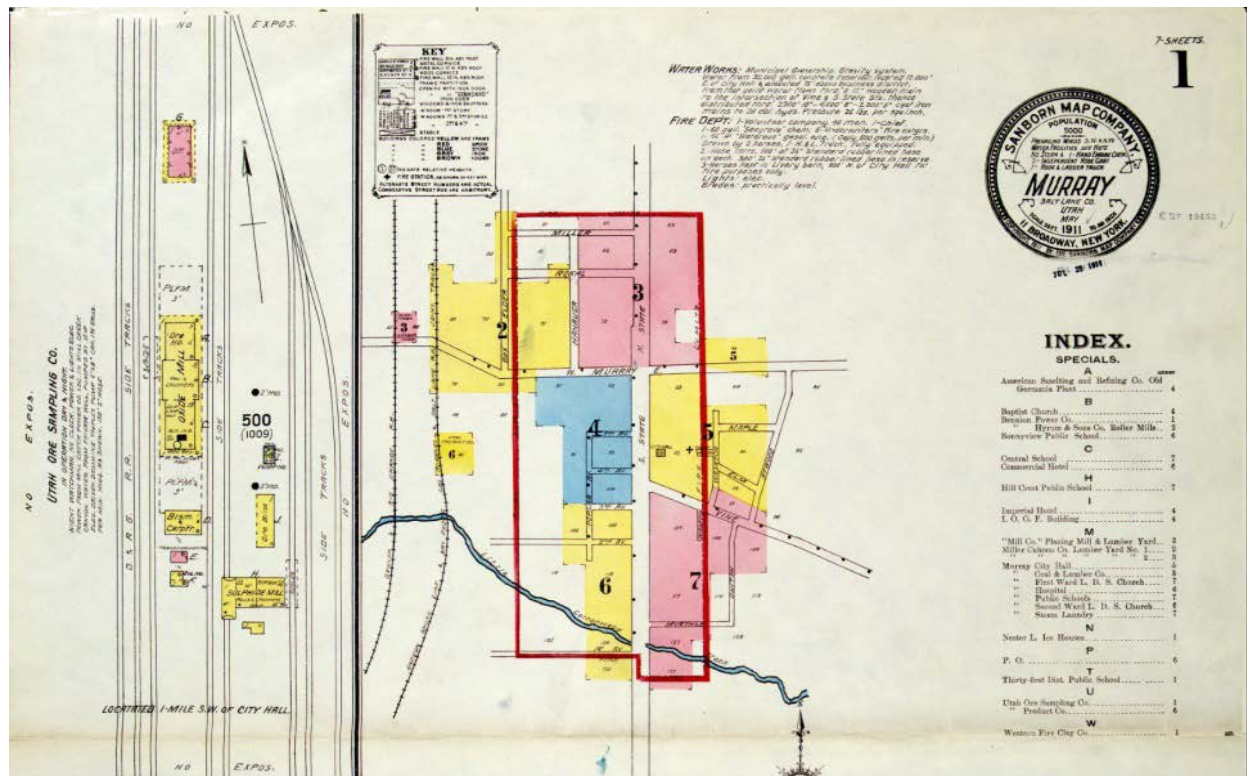


Figure 5.1 1911 Sanborn Map of State Street, Vine Street, and 4800 South

EXISTING LAND USES

Murray continues to have a wide mix of land uses, including residential, commercial, office, mixed-use, industrial, public/quasi-public, and parks and open spaces.

RESIDENTIAL

Together, single-family and multi-family residential uses comprise approximately fifty-five percent of the city's total land acreage and account for eighty-five percent of the parcels within the city. The majority of residential parcels are occupied by lower-density single-family detached housing units. Currently, there are 9,795 single-family residential units in Murray. Murray has approximately 4,200 multi-family residential units, located in multiple complexes of various sizes. Much of the multi-family housing in Murray is clustered into pods rather than integrated into neighborhoods (like you might see in Salt Lake City.) Over half of the multi-family housing units (2,761 units) are located in apartment complexes with ninety-nine or more units. Large concentrations of multi-family housing place different demands on public services, including schools.

RETAIL

Murray boasts a healthy commercial land use. Much of the commercial is centered along the State Street corridor, with a range of commercial types from automobile dealerships, malls, and the historic downtown core. Other commercial nodes exist at key intersections and/or near the interstate exits. The majority of the commercial land uses within the city are auto-oriented.

OFFICE

Office currently represents only 4% of the total land acreage in Murray. Most office space is dispersed, with a few small clusters. Office space ranges from small individual buildings in neighborhoods to larger buildings in commercial areas.

CIVIC/INSTITUTIONAL

These uses include public, quasi-public, civic, and institutional uses. Major institutional uses include the Intermountain Medical Center (IMC), American International School of Utah (AISU), The Orthopedic Specialty Hospital (TOSH), and the Murray civic center.

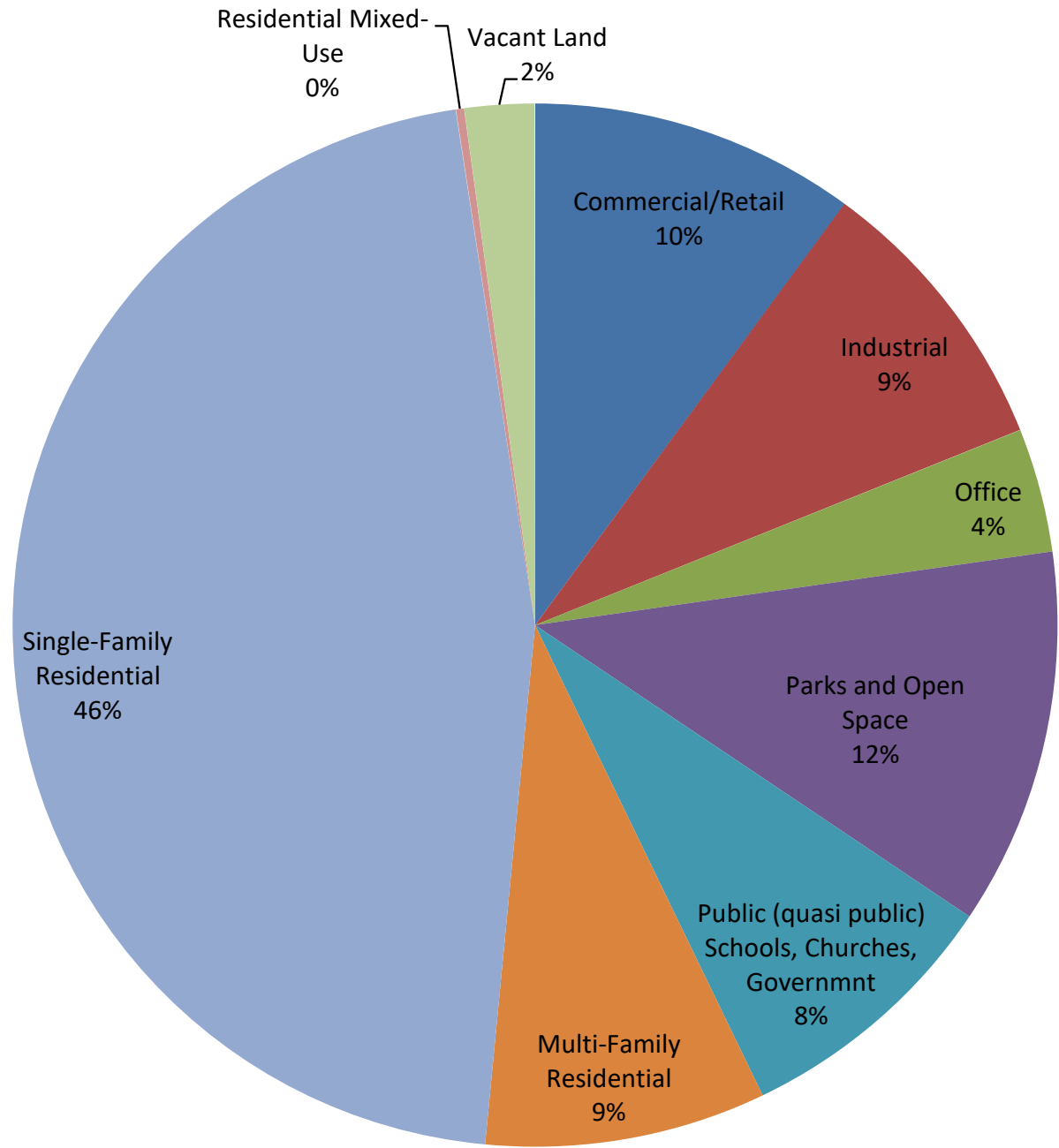
INDUSTRIAL

Along the interstate and rail corridors, many industrial uses remain within the Murray city limits. These continue to provide an important component of Murray's tax base. However, many could benefit from a visual upgrade.

VACANT LAND

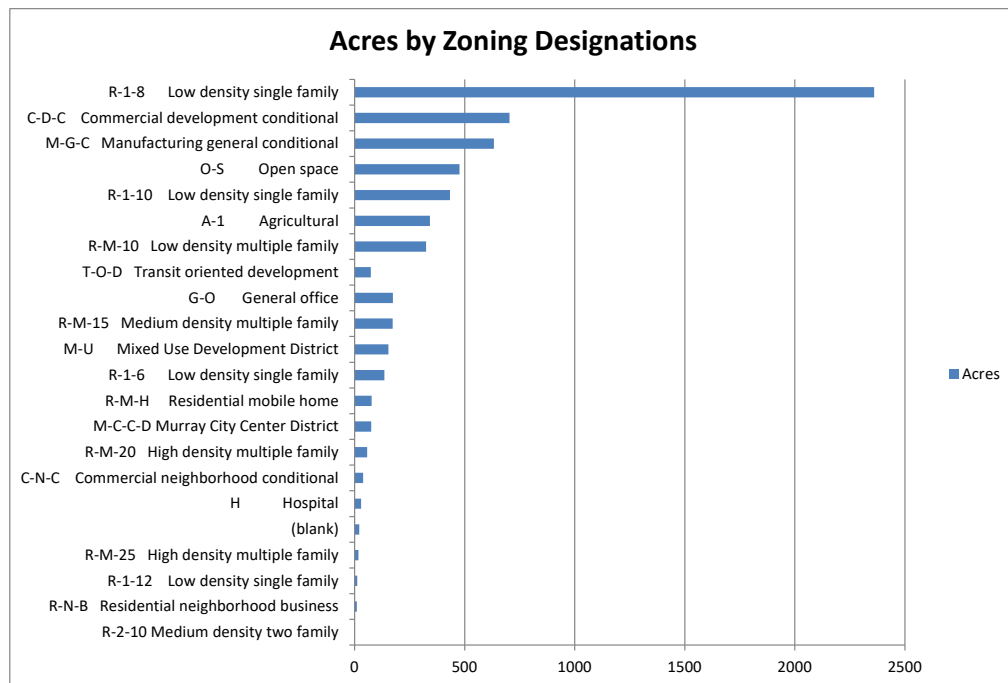
A limited amount of land remains vacant within Murray City boundaries. This contributes to the perception of residents considering Murray to be 'built out', as limited land is available to be developed that is vacant. However, layers of growth and change and redevelopment contradict the 'built out' perception. The vacant land that remains is considered 'developable' (i.e. not sensitive land and/or designated for infrastructure).

Existing Land Use Distribution



ZONING

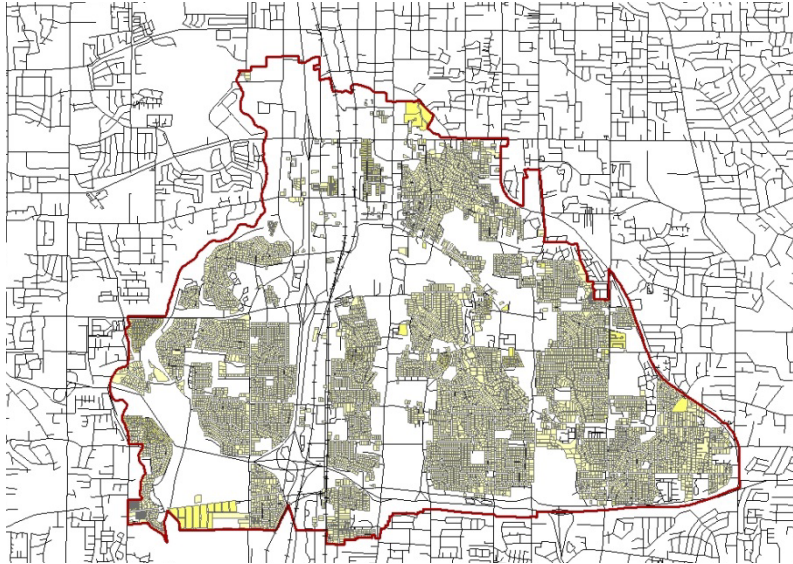
In some cases, existing land use differs from the current zoning designation (e.g. multi-family uses in single-family zones, etc.) The current zoning includes twenty-one zones. The following chart displays the distribution of acreage within each of these zones. Similar to the existing land use distribution, low-density single family residential zones comprise the majority of the acreage.



EXISTING LAND USE DISTRIBUTION MAPS

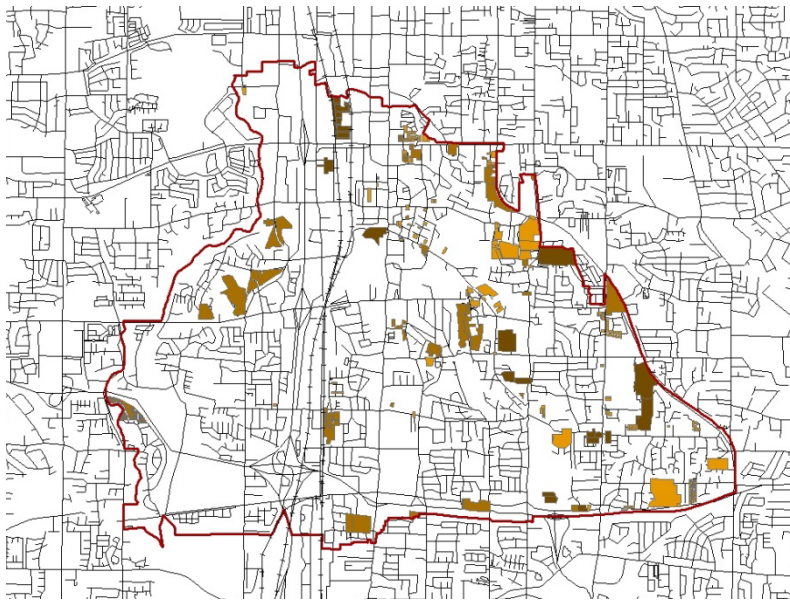
A visual distribution of the existing land use is represented on the following series of maps:

- Map 1: Single-family Residential
- Map 2: Multi-family Residential
- Map 3: Commercial
- Map 4: Parks/Open Space & Public/Quasi-Public
- Map 5: Office and Industrial
- Map 6: Vacant



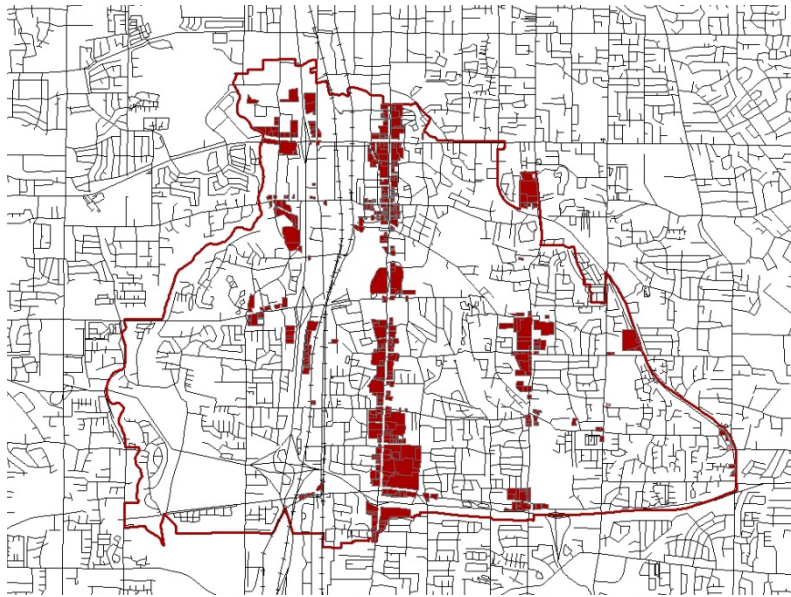
MAP 5.1: EXISTING LAND USE:
SINGLE-FAMILY RESIDENTIAL

Map 5.1: Single-family Residential – Single-family residential neighborhoods still comprise the majority of the existing land uses in Murray City. Neighborhoods are well-distributed across the city, with the exception of the northwest corner of the city.



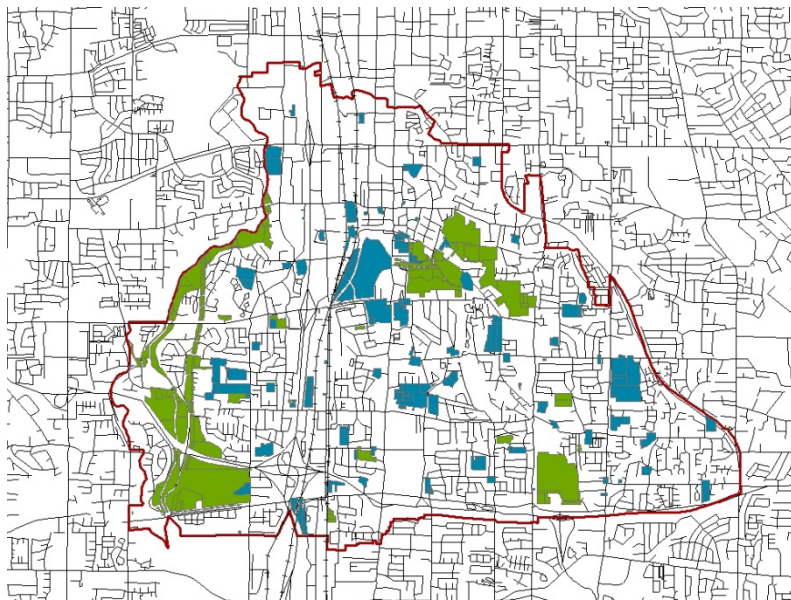
MAP 5.2: EXISTING LAND USE:
MULTI-FAMILY RESIDENTIAL

Map 5.2: Multi-family Residential – Multi-family housing is distributed in small clusters across the city (density increases with shade gradient). However, in many cases these housing types are not integrated into existing neighborhoods. Rather, clusters exist adjacent to single-family residential areas.



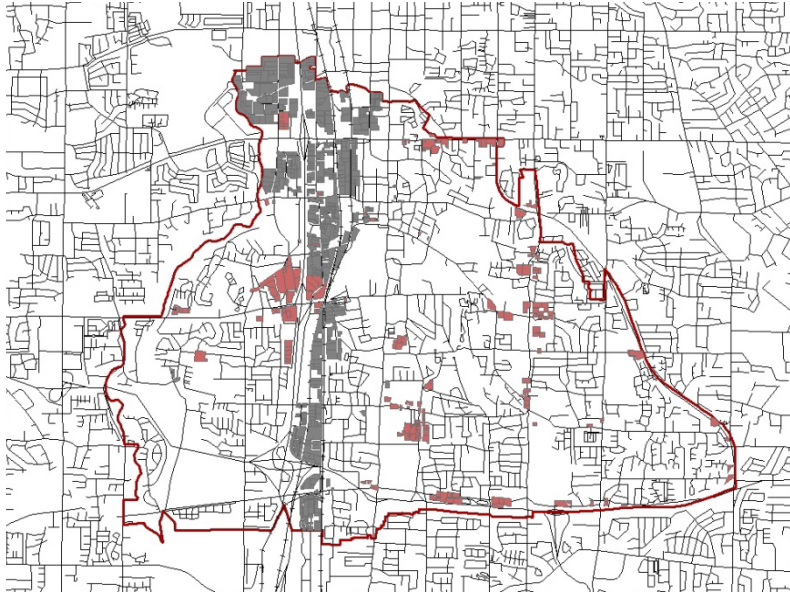
MAP 5.3: EXISTING LAND USE:
COMMERCIAL

Map 5.3: Commercial – Murray’s commercial areas are concentrated along the primary transportation corridor of State Street. Other commercial areas exist in a more nodal fashion along 900 East and 4800 South, and at the Interstate-15 exits of 4500 South and 5300 South.



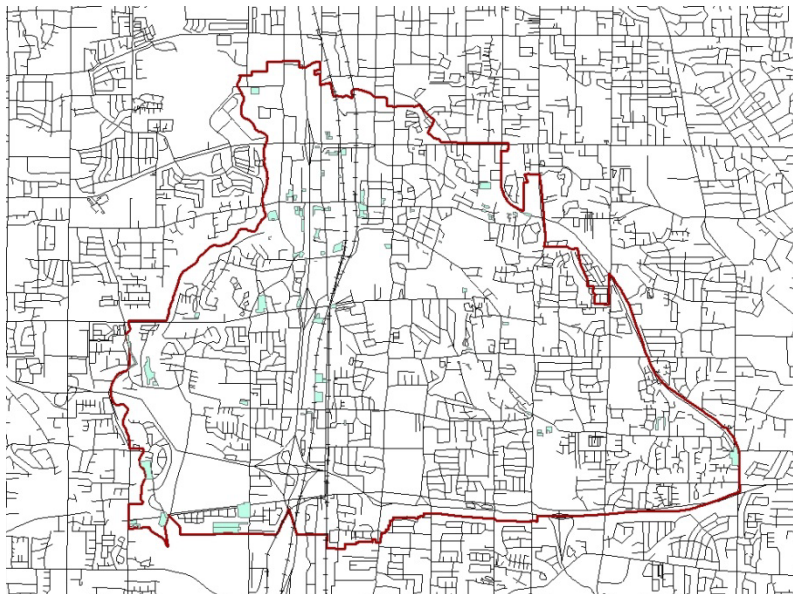
MAP 5.4: EXISTING LAND USE:
**PARKS/OPEN SPACE &
PUBLIC/QUASI-PUBLIC**

Map 5.4: Parks/Open Space & Public/Quasi-Public – Murray offers several large-scale parks and open space amenities (in green) across the city. Smaller neighborhood or pocket parks, however, are somewhat limited, especially on the east side.



**MAP 5.5: EXISTING LAND USE:
OFFICE & INDUSTRIAL**

Map 5.5: Office and Industrial – Industrial uses (in gray) are focused along the spine of Interstate-15 and the rail corridor. Office uses (in mauve) are distributed across the city, in small nodes and along primary and secondary transportation corridors.



**MAP 5.6: EXISTING LAND USE:
VACANT LAND**

Map 5.6: Vacant – Little vacant land remains in Murray City. The majority of vacant parcels, colored light green, are located on the west side. A few parcels of vacant land are located east of State Street.

5.2 – HOW DOES THIS HELP US PLAN FOR THE FUTURE

The update to the General Plan is an opportunity to assess how land use changes may affect the long-term demands on public services and Murray's position as a regional center. Day and night time population place demands on services and have different needs.

The plan will facilitate the City's ability to have long-term decision-making address and accommodate a growing population that desires a central, regional location with good accessibility via multiple modes of transportation.

FUTURE LAND USE DESIGNATIONS

Part of the policy for General Plans is to apply a land use designation to all land and water bodies within the City's boundaries. During the plan process, the designation that best advances the goals of the General Plan Update has been identified. The land use designations are shown on the adopted Future Land Use Map (Map 5.7) and then used to create and update the Zoning Map and Zoning Code.

The previous 2003 General Plan and Future Land Use Map provided the basis for the adopted map in this General Plan. A systematic evaluation of existing land use designations, current zoning, and potential future uses based on the initiatives of the General Plan was undertaken in the process of developing the Future Land Use Map. To support the key initiatives of the General Plan, the need for new future land use designations became apparent. These new designations will help the city implement the ideas within the key initiatives and achieve the goals and objectives of the various plan elements.

NODES

The Future Land Use Map and policies in the General Plan Part One Key Initiatives identify specific areas of Murray that are planned to accommodate a more flexible mix of uses, where job and housing growth can occur as an effort to both provide amenities to surrounding residential neighborhoods and to stabilize those neighborhoods by preventing unplanned creep/growth.

Two types of nodes are indicated on the Future Land Use Map:

- Community Nodes
- Neighborhood Nodes

The planned location of these nodes supports the City's long-term goal of emphasizing growth within the City Center and Transit Oriented Development areas, and focusing new job and housing options in identified transit corridors, transit station area, community centers/nodes, and neighborhood centers/nodes. The specific characteristics of each node will vary based on the surrounding context and future area-specific Small Area Plans.

COMMUNITY NODES

Community Nodes include vacant or under-utilized lands in existing, larger-scaled commercial areas (e.g. Fashion Place Mall) and the City Center and TOD areas, which include vacant or under-utilized lands within proximity of existing transit and transportation infrastructure/facilities.

NEIGHBORHOOD NODES

Neighborhood Nodes are smaller neighborhood-oriented sites with redevelopment potential (e.g. strip malls) or smaller-scaled amenities. While some of these Neighborhood Nodes are not located in proximity to major transit facilities, their diversification and recrafting in a pedestrian-oriented manner could serve to create a vibrant village setting within easy access of surrounding nearby neighborhoods/residential areas.

For all types, it is expected that the existing amount of commercial/retail space would be retained and enhanced as part of any redevelopment project so that existing commercial uses within Murray are not diminished.

PARKS AND OPEN SPACE

This designation is intended for lands that serve a public open space, recreational, or ecological function, or provide visual relief. These lands are primarily publicly-owned, but can be in private ownership. Lands/use types intended for the Open Space designation include: Parks, Public Plazas, Natural Areas, Scenic Lands, Golf Courses, Cemeteries, Open Space Buffers along Freeway Margins, Railroads, or abutting industrial areas; large water bodies.

Corresponding zone(s):

- O-S, Open Space



LOW DENSITY RESIDENTIAL

This designation is intended for residential uses in established/planned neighborhoods, as well as low density residential on former agricultural lands. The designation is Murray's most common pattern of single-dwelling development. It is intended for areas where urban public services, generally including complete local street networks and access to frequent transit, are available or planned. Areas within this designation generally have few or very minor development constraints (such as infrastructure or sensitive lands). Primary lands/use types include single-dwelling (detached or attached) residential.

Density range is between 1 and 8 DU/AC.

Corresponding zone(s):

- A-1, Agricultural
- R-1-12, Low density single family
- R-1-10, Low density single family
- R-1-8, Low density single family
- R-1-6, Low/Medium density single family
- R-2-10, Low density two family



MEDIUM DENSITY RESIDENTIAL

This designation allows a mix of housing types that are single-dwelling in character or smaller multi-family structures, primarily on individual parcels. This designation is intended for areas near, in, and along centers and corridors, near transit station areas, where urban public services, generally including complete local street networks and access frequent transit, are available or planned. Areas within this designation generally do not have development constraints (such as infrastructure or sensitive lands). This designation can serve as a transition between mixed-use or multi-dwelling designations and lower density single-dwelling designations.

Density range is between 6 and 15 DU/AC.

Corresponding zone(s):

- R-1-6, Low/Medium density single family
- R-M-10, Medium density multiple family
- R-M-15, Medium density multiple family



HIGHER DENSITY RESIDENTIAL

This designation allows a mix of housing types, primarily multi-dwelling structures. Single-dwelling types may be mixed in, but at a denser scale than the other residential designations. This designation is intended for areas that are near, in, and along centers and corridors, and transit station areas, where urban public services, generally including complete local street networks and access to frequent transit, are available or planned. Areas are designed to be transit-supportive. Areas within this designation generally do not have development constraints (such as infrastructure or sensitive lands).

Density range is between 10 and 25 DU/AC.

Corresponding zone(s):

- R-M-20, High density multiple family
- R-M-25, High density multiple family



TRANSIT MIXED-USE

This designation is intended for ~~city center and~~ transit station areas where a mixed use neighborhood is desired and urban public services, including access to high-capacity transit, very frequent bus service, or BRT/Streetcar service are available or planned. This designation is intended to allow high-density multi-dwelling structures at an urban scale that include a mix of uses, usually in the same building and/or complex.

Density range is between ~~140~~ and ~~380~~ DU/AC.

Corresponding zone(s):

- ~~T-O-D~~, Transit oriented development, TOD
- ~~M-U~~, Murray Central Mixed Use ~~Development District~~, MCMU



VILLAGE & CENTERS MIXED USE

The Village & Centers Mixed Use Designation is intended to provide an opportunity for the measured, context sensitive addition of residential housing to existing commercial properties and developments along major transportation corridors and in and around retail and commercial centers and neighborhood nodes. Allowing the introduction of residential uses to these areas is intended to support the goals and principles of mixed-use development by facilitating a more compact, sustainable, and pedestrian oriented land use pattern as these existing commercial centers and corridors redevelop over time.

Density range is between 25 and 45 DU/AC.

Corresponding zone(s):

- Centers Mixed Use, CMU
- Village Mixed Use, VMU



RESIDENTIAL BUSINESS

This designation allows for mixed-use, attached dwellings, or commercial development within primarily residential neighborhoods that is small in scale, has little impact, and provides services for the nearby residential and/or recreational areas (e.g. Jordan River Parkway node at Winchester; adjacent to Wheeler Farm). Development will be similar in scale to nearby residential development to promote compatibility with the surrounding area. This designation is intended for areas where urban public services are available or planned. Areas within this designation are generally small nodes or individual buildings along corridors rather than large centers or complexes. Non-residential or multi-dwelling development will follow a similar development pattern of front setback/yard/landscaping as the surrounding residential context.

Corresponding zone(s):

- RNB, Residential Neighborhood Business



NEIGHBORHOOD COMMERCIAL

This designation allows mixed-use development in smaller neighborhood centers and along neighborhood corridors to preserve or cultivate locally serving commercial areas with a neighborhood character. This designation is intended for areas where urban public services, generally including complete local street networks and access to frequent transit, are available or planned, and development constraints do not exist. Areas within this designation are generally pedestrian-oriented (or are desired to be) and are predominantly built at low- to mid-rise scale, often with buildings close to and oriented to the sidewalk.

Corresponding zone(s):

- RNB, Residential Neighborhood Business
- C-N, Commercial neighborhood
- New/Updated Neighborhood Commercial zone



CITY CENTER

This designation allows for higher, transit-supportive densities/mixes of commercial, residential, employment uses, and public services, including a range of housing, retail, and service businesses with a local or regional market. It is intended for the City Center, at key intersections and along major corridors where urban public services are available or planned including access to high-capacity transit, very frequent bus service, or BRT/Streetcar service. The designation is applied to some of the City's busiest, widest, and most prominent streets (e.g. State Street). As the city grows, these corridors need to become places that can succeed as attractive locations for more intense, mixed-use development. They should be attractive and safe for pedestrians while continuing to play a major role in the City's transportation and economic system. Development will be pedestrian-oriented with a strong emphasis on design and street level activity, and will range from low- to mid-rise scale. The range of development scales associated with this designation is intended to allow for more intense development in core areas, along corridors and near transit stations, while providing opportunities for less intense development transitions to adjacent residential areas.



Corresponding zone(s):

- M-C-C-D, Murray City Center District

GENERAL COMMERCIAL

While this designation is primarily for larger retail destinations, including regional shopping centers and stand-alone big box, it may also include mixed-use developments that are mainly commercial in nature and use. High density, multi-family residential complexes will only be considered as part of a larger master-planned mixed-use development. Smaller-scale medium density residential projects may be considered for neighborhood or community node areas.



Corresponding zone(s):

- C-D, Commercial development

PROFESSIONAL OFFICE

This designation allows for a full-range of commercial and employment uses. This designation is intended to provide for mixed-use areas where urban public services are available or planned including access to high-capacity transit or BRT/Streetcar service. The intensity of development will be higher than in other employment designations and urban in character. Development patterns should enhance the livability of surrounding residential neighborhoods while contributing to the success of nearby business areas. Developments may be individual buildings or developed as an urban mixed-use campus.

Corresponding zone(s):

- New P-O Zone, Professional Office
- H, Hospital



OFFICE

This designation allows for a wide range of office uses in an environment that is compatible with adjacent residential neighborhoods. Development patterns should enhance the livability of surrounding residential neighborhoods while contributing to the success of nearby business areas. Development will generally be individual buildings or small clusters that are scaled similar to adjacent residential areas.

Corresponding zone(s):

- G-O, General Office
- R-N-B, Residential Neighborhood Business



BUSINESS PARK INDUSTRIAL

This designation is intended to allow and encourage a wide variety of office, creative services, manufacturing, technology, distribution, traded sector, and other light-industrial employment opportunities, typically in a low-rise, flex-space development pattern that is designed to be compatible with surrounding neighborhoods. Most employment uses are allowed but impact is to be minimized by design standards, smaller lot size, and adjacency to residential neighborhoods. Retail uses are allowed but are limited in intensity so as to maintain adequate employment development opportunities. Non-employment uses should be limited to retain market feasibility for employment uses, to prevent land use conflicts, and to reduce exposure to potential air quality, noise, truck traffic, and pedestrian safety impacts.

Corresponding zone(s):

- New Business Park Industrial zone, Business Park Industrial



INDUSTRIAL

This designation is intended to allow a wide variety of manufacturing, technology, distribution, traded sector, and other light-industrial employment opportunities in areas where distribution infrastructure exists. Non-industrial uses should be restricted to retain market feasibility for industrial development, prevent land use conflicts, and reduce exposure to potential air quality, noise, truck traffic, and pedestrian safety impacts.

Corresponding zone(s):

- M-G Manufacturing general
- New Business Park Industrial zone, Business Park Industrial



5.3 LAND USE & URBAN DESIGN GOAL, OBJECTIVES, & STRATEGIES

LAND USE & URBAN DESIGN OVERALL GOAL

Provide and promote a mix of land uses and development patterns that support a healthy community comprised of livable neighborhoods, vibrant economic districts, and appealing open spaces.

LAND USE & URBAN DESIGN OBJECTIVES & STRATEGIES

OBJECTIVE 1: PRESERVE AND PROTECT THE QUALITY OF LIFE FOR A RANGE OF VIABLE RESIDENTIAL NEIGHBORHOODS.

Strategy: Prioritize infill and redevelopment for commercial development over expansion into residential neighborhoods.

Strategy: Develop form-based development and design guidelines that guide the quality of projects.

Strategy: Enhance residential streets with street trees, landscaping (in park strips and front setbacks), and pedestrian-scale lighting.

OBJECTIVE 2: ENCOURAGE REVITALIZATION ALONG KEY TRANSPORTATION CORRIDORS AND IN THE CORE OF THE CITY.

Strategy: Develop context-specific corridor plans to guide coordinated land use and transportation improvements.

Strategy: Offer zoning, density, street improvements and other indirect incentives for areas targeted for revitalization.

OBJECTIVE 3: ENCOURAGE A FORM-BASED DEVELOPMENT PATTERN AT SMALLER COMMERCIAL NODES TO SUPPORT MULTIPLE MODES OF ACCESS AND MOBILITY.

Strategy: Create a neighborhood mixed-use zone designation and support it with form-based development and design guidelines.

OBJECTIVE 4: SUPPORT THE TRANSFORMATION OF EXISTING INDUSTRIAL, WHERE APPROPRIATE, INTO HIGH QUALITY AND VISUALLY APPEALING INDUSTRIAL USES THAT CAN SUPPORT THE CITY'S ECONOMIC SUSTAINABILITY WHILE STRENGTHENING THE IMAGE OF THE CITY.

Strategy: Create an industrial/business park zone designation and support it with form-based development and design guidelines.

OBJECTIVE 5: SUPPORT A RANGE OF COMMERCIAL DEVELOPMENT SCALES TO SERVE LOCAL RESIDENTS AND REGIONAL SHOPPERS AND EMPLOYERS.

Strategy: Evaluate current commercial uses and create a range of commercial zone designations to direct context-sensitive commercial development (e.g. Pedestrian-oriented, neighborhood scale commercial in Neighborhood Centers; General commercial along major transportation corridors and/or in Commercial Centers.)

OBJECTIVE 6: ENCOURAGE A FORM-BASED AND MIXED USE DEVELOPMENT PATTERN TO CONNECT DOWNTOWN AND THE TOD AREAS THROUGH URBAN DESIGN.

Strategy: Change zoning in targeted areas to allow for form-based mixed use development.

OBJECTIVE 7: PROVIDE COMPLEMENTARY USES AROUND KEY CIVIC SPACES INCLUDING MURRAY PARK, THE LIBRARY, AND CITY HALL.

Strategy: Identify desired land uses near City Hall, the Library, Murray Park, and other places then work with potential developers to bring those uses to the targeted areas. Support with zoning that facilitates complementary development patterns.

OBJECTIVE 8: CONTINUE TO ENSURE THE LOCATION AND PATTERN OF NEW DEVELOPMENT DOES NOT NEGATIVELY IMPACT THE NATURAL SYSTEMS AND SPACES WITHIN MURRAY CITY.

Strategy: Create a master plan for natural systems and spaces.

Strategy: Ensure development regulations offer appropriate buffering.

OBJECTIVE 9: PROVIDE A MIX OF HOUSING OPTIONS AND RESIDENTIAL ZONES TO MEET A DIVERSE RANGE OF NEEDS RELATED TO LIFESTYLE AND DEMOGRAPHICS, INCLUDING AGE, HOUSEHOLD SIZE, AND INCOME.

Strategy: Ensure residential zoning designations offer the opportunity for a spectrum of housing types.

Strategy: Simplify the residential zoning district designations.

OBJECTIVE 10: PROMOTE A TRANSITION OF DEVELOPMENT PATTERNS BETWEEN COMMERCIAL AREAS AND STABLE RESIDENTIAL NEIGHBORHOODS.

Strategy: Support transitions with form-based development and design guidelines.

Strategy: Review zoning to ensure that parcels have the appropriate designation to allow for a transition of uses.

Strategy: Adopt more detailed and specific landscape and tree requirements for buffers between commercial and residential areas. Trees must be used as a buffering mechanism; walls alone are not an accepted buffering mechanism.

OBJECTIVE 11: STIMULATE REINVESTMENT IN DETERIORATING AREAS OF THE CITY TO SUPPORT GROWTH AND ENHANCE THE IMAGE OF THE COMMUNITY.

Strategy: Offer zoning, density, street improvements and other indirect incentives for areas targeted for revitalization.

OBJECTIVE 12: SUPPORT THE INTERMOUNTAIN MEDICAL CENTER (IMC) THROUGH COMPATIBLE AND COMPLEMENTARY LAND USES.

Strategy: Identify desired uses and work with potential developers to bring those uses to the targeted areas. Support with zoning that facilitates complementary development patterns.



NOTICE OF PUBLIC HEARING

September 2, 2021, 6:30 PM

The Murray City Planning Commission will hold a public hearing in the Murray City Municipal Council Chambers, located at 5025 S. State Street to receive public comment on the following application:

Murray City Community & Economic Development is requesting approval of amendments to the Murray City General Plan regarding future land use categories. The proposed changes include amendments to the "Mixed Use" land use category and the addition of a "Village and Centers Mixed Use" category.

The meeting is open and the public is welcome to attend in person or you may submit comments via email at planningcommission@murray.utah.gov. If you would like to view the meeting online, you may watch via livestream at www.murraycitylive.com or www.facebook.com/MurrayCityUtah/.

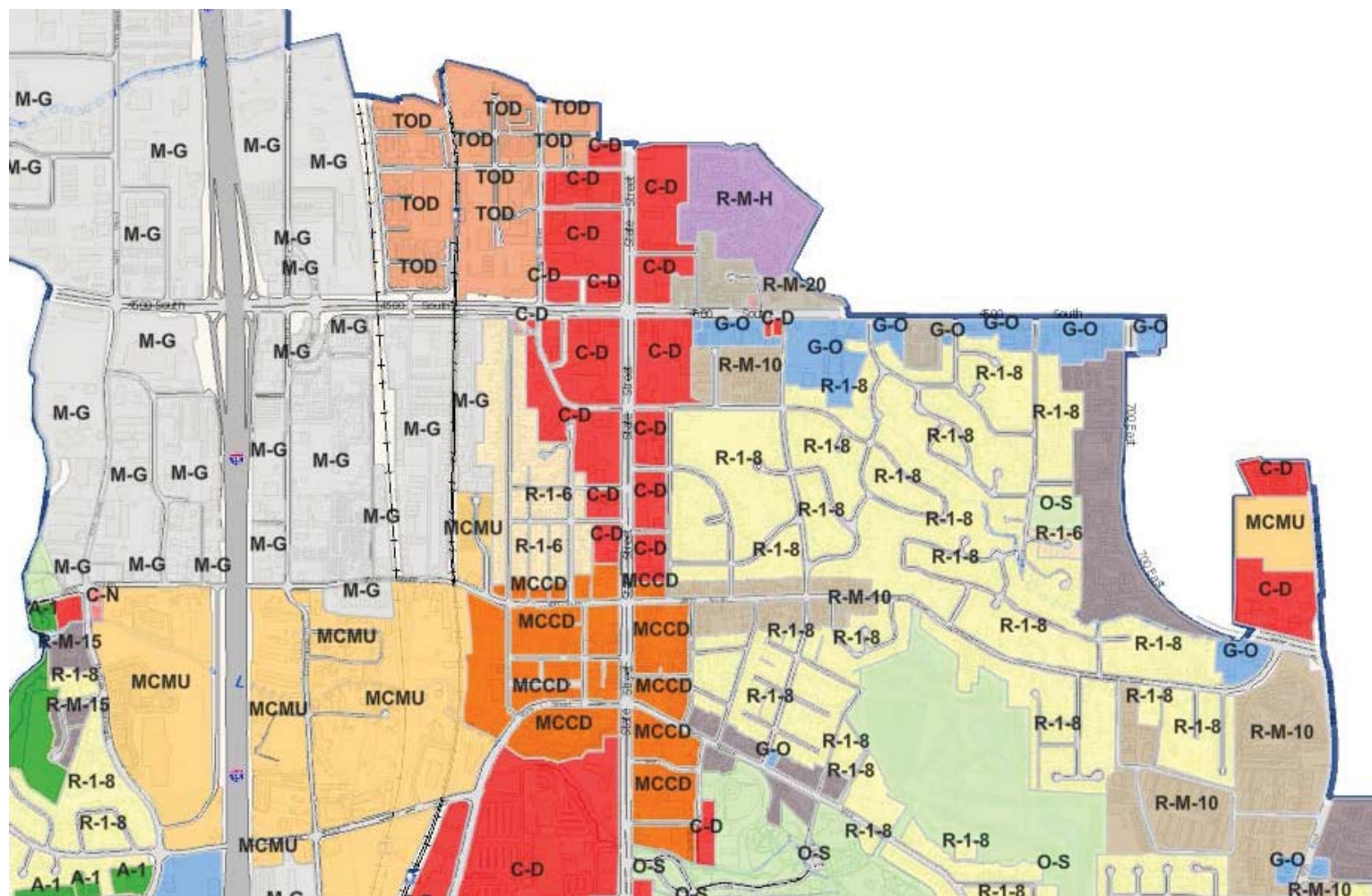
Comments are limited to 3 minutes or less, written comments will be read into the meeting record.

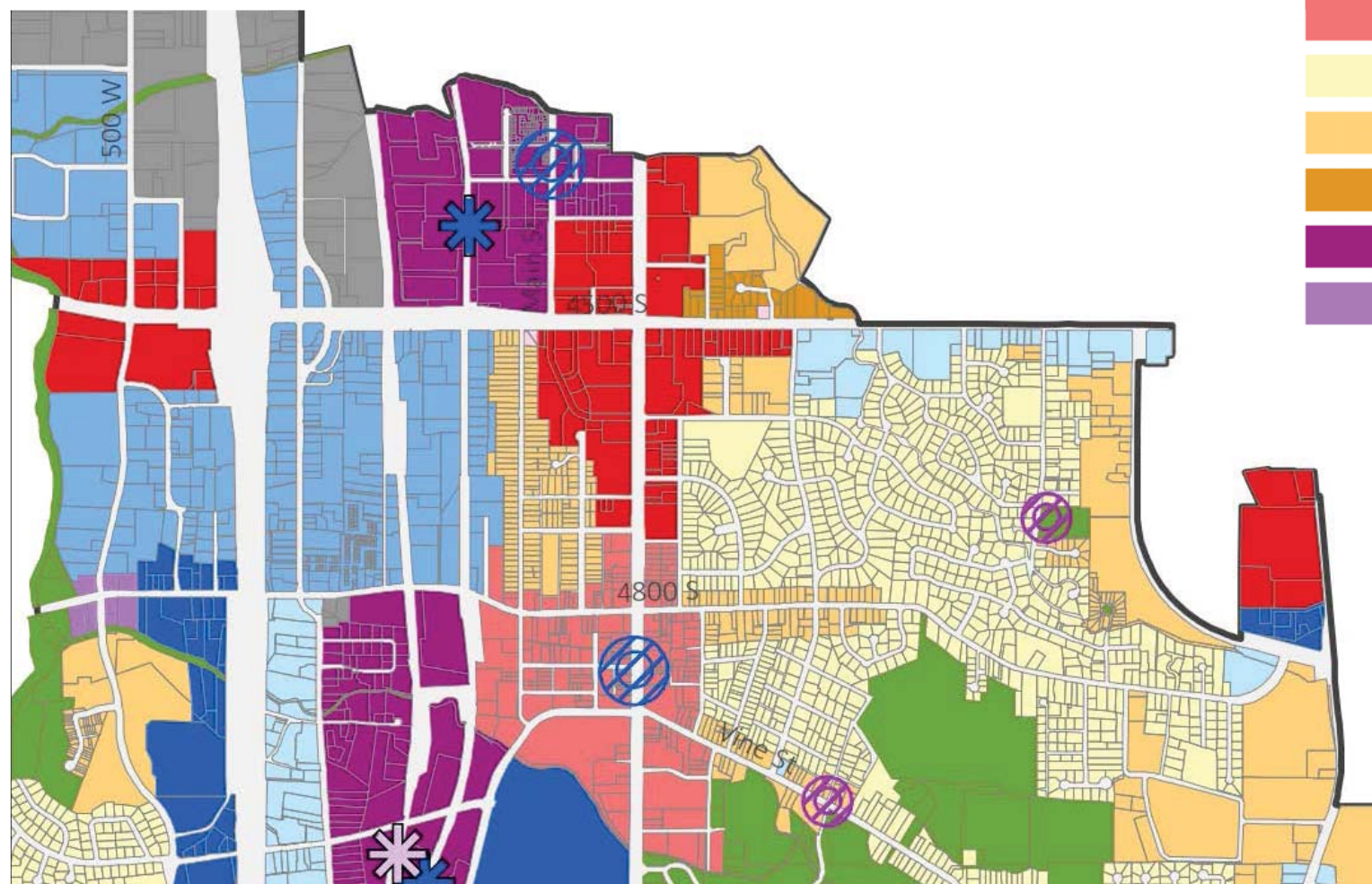
If you have questions or comments concerning this proposal, please contact Jared Hall in the Murray City Planning Division at 801-270-2427, or e-mail jhall@murray.utah.gov.

Applicant: Murray City Planning Division

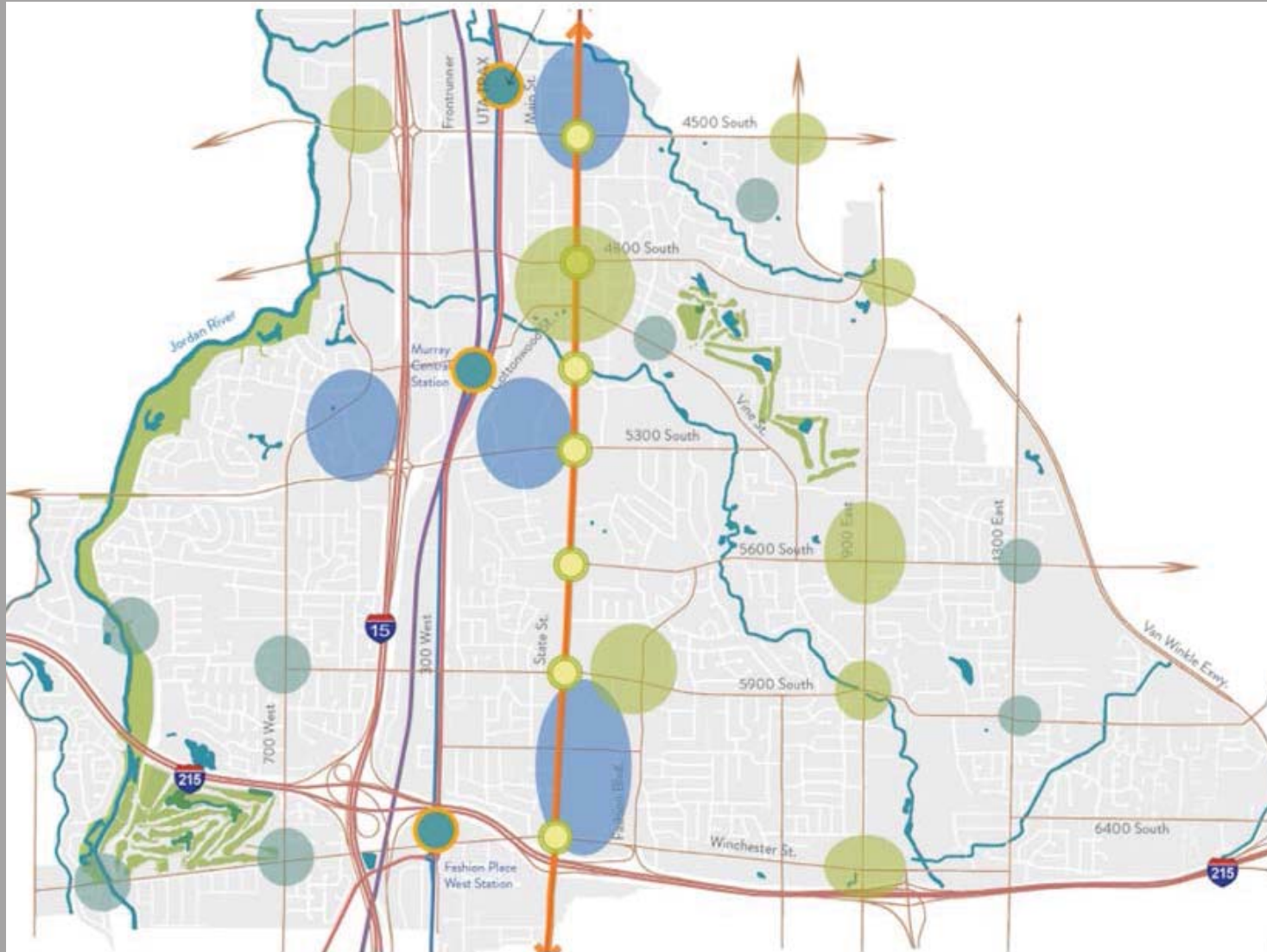
Request: General Plan Amendment, Text of Chapter 5 –
Land Use & Urban Design to add CMU and VMU
Category







- City Center
- Low Density Residential
- Medium Density Residential
- High Density Residential
- Mixed Use
- Neighborhood Commercial



- Regional Center
- City/Retail Center
- Neighborhood Node
- TOD Node
- BRT Station Village

TRANSIT MIXED-USE

This designation is intended for ~~city-center and~~ transit station areas where a mixed use neighborhood is desired and urban public services, including access to high-capacity transit, very frequent bus service, or BRT/Streetcar service are available or planned. This designation is intended to allow high-density multi-dwelling structures at an urban scale that include a mix of uses, usually in the same building and/or complex.

Density range is between ~~440~~ and ~~380~~ DU/AC.

Corresponding zone(s):

- ~~T-O-D~~ Transit oriented development, TOD
- ~~M-U~~ Murray Central Mixed Use ~~Development~~ District, MCMU



VILLAGE & CENTERS MIXED USE

The Village & Centers Mixed Use Designation is intended to provide an opportunity for the measured, context sensitive addition of residential housing to existing commercial properties and developments along major transportation corridors and in and around retail and commercial centers and neighborhood nodes. Allowing the introduction of residential uses to these areas is intended to support the goals and principles of mixed-use development by facilitating a more compact, sustainable, and pedestrian oriented land use pattern as these existing commercial centers and corridors redevelop over time.

Density range is between 25 and 45 DU/AC.

Corresponding zone(s):

- Centers Mixed Use, CMU
- Village Mixed Use, VMU



Planning Commission

September 2, 2021 – Public Hearing

- Notices were mailed to affected entities
- No public comments were received
- 6-0 vote to recommend approval

Findings

1. The proposed changes are in harmony with the objectives and goals of the 2017 Murray City General Plan.
2. The proposed changes support recently approved amendments to the Murray City Land Use Ordinance regarding mixed-use zones.
3. The proposed changes are necessary in order that the 2017 Murray City General Plan and the Murray City Land Use Ordinances correspond appropriately one with another.

Staff Recommendation

Staff and the Planning Commission recommends the City Council **APPROVE** the proposed amendment to Chapter 5, the Land Use and Urban Design element of the 2017 Murray City General Plan as presented in the Staff Report.



MURRAY
CITY COUNCIL

Adjournment



MURRAY
CITY COUNCIL

Council Meeting 6:30 p.m.

Call to Order

Pledge of Allegiance



MURRAY
CITY COUNCIL

Special Recognition



MURRAY
CITY COUNCIL

Special Recognition #1



MURRAY


Power Department

Joint Resolution for Public Power Week

Council Action Request

Council Meeting

Meeting Date: October 5, 2021

Department Director Blaine Haacke	Purpose of Proposal Public Power Week Resolution
Phone # 801-264-2715	Action Requested Approval of resolution
Presenters Blaine Haacke	Attachments Joint resolution
	Budget Impact None
Required Time for Presentation	Description of this Item Public Power Week is an annual event that allows Murray City to educate its power customers on safety and conservation, and share information about the services the city provides through the power department.
Is This Time Sensitive No	
Mayor's Approval 	
Date September 2, 2021	

**JOINT RESOLUTION OF THE MAYOR AND
MUNICIPAL COUNCIL OF MURRAY CITY, UTAH**

DECLARING
OCTOBER 11-15, 2021
PUBLIC POWER WEEK

WHEREAS, Murray's citizens in 1913 voted and approved the formation of the community's own municipal electric utility; and

WHEREAS, the citizens of Murray City have owned and operated an independent electric utility, Murray City Power, for 108 years, providing our community with safe, reliable, and reasonably priced electricity; and

WHEREAS, Murray City Power is one of over 2,000 consumer-owned electric utilities that comprise the American Public Power Association (APPA), an organization that annually promotes "Public Power Week";

NOW, THEREFORE, WE, the Mayor and Murray City Municipal Council, do hereby declare

October 11-15, 2021
PUBLIC POWER WEEK

BE IT THEREFORE RESOLVED that we hereby encourage the citizens of Murray City to participate in the Public Power Celebration event on Thursday, the 14th of October, to honor 108 successful years of public power in Murray; and

BE IT FURTHER RESOLVED that our community acknowledges that the success of Murray City Power has been achieved through the combined and cooperative efforts of our employees, citizens, fellow city department, elected officials, and industry partners, including the Utah Associated Municipal Power Systems (UAMPS), the Intermountain Power Agency (IPA), and the American Public Power Association (APPA).

PASSED, APPROVED, AND ADOPTED by the Mayor and the Murray City Municipal Council the 5th day of October 2021.

Murray City Corporation

Murray City Municipal Council

D. Blair Camp, Mayor

Diane Turner, Chair, District 4

Kat Martinez, District 1

Dale Cox, District 2

Attest:

Rosalba Dominguez, District 3

Brooke Smith, City Recorder

Brett A. Hales, District 5



Special Recognition #2



MURRAY


Murray City Fire Department

**Fire Prevention Week Oct. 3-9,
2021**

Council Action Request

Council Meeting

Meeting Date: October 5, 2021

Department Director Jon Harris Phone # 801-264-2775 Presenters Joey Mittelman	Purpose of Proposal Resolution for Fire Prevention Week October 3-9, 2021 Action Requested Approval of resolution Attachments Fire Prevention Week resolution Budget Impact None Description of this Item Fire Prevention Week is an opportunity to educate others about fire safety. The Murray City Fire Department is coordinating the following activities: 2nd Grade Fire Safety Assemblies Fire Extinguisher Training for Murray City Employees Senior Recreation Center Fire Safety Day Social Media Releases Installing of Smoke Alarms in Partnership with Red Cross
Required Time for Presentation 10 Minutes Is This Time Sensitive No Mayor's Approval  Date September 21, 2021	

**A JOINT RESOLUTION OF THE MAYOR
AND MUNICIPAL COUNCIL OF MURRAY CITY, UTAH
TO DESIGNATE AND SUPPORT THE WEEK OF OCTOBER 3-9, 2021
AS
FIRE PREVENTION WEEK**

WHEREAS, the Murray City is committed to ensuring the safety and security of all those in the city, and acknowledge that fire is a serious public safety concern both locally and nationally, and homes are the locations where people are at greatest risk from fire; and

WHEREAS, fire departments in the United States respond to an average of 339,500 home fires per year, resulting in 2,770 deaths; and

WHEREAS, working smoke alarms cut the risk of dying in a home fire by 60%. Murray residents should install smoke alarms in every bedroom, outside each separate sleeping area, on every level of the home, and assure all batteries are functional; and

WHEREAS, the Murray City Fire Department is dedicated to reducing the occurrence of home fires and resulting injuries through prevention and education; and the 2021 Fire Prevention Week™ theme, “Learn the Sounds of Fire Safety!™” effectively serves to remind us of the importance of learning and responding to the sounds of smoke and carbon monoxide alarms.

THEREFORE, we do hereby proclaim October 3-9, 2021, as Fire Prevention Week throughout Murray City, and urge all residents to “Learn the Sounds of Fire Safety”, and to support the many public safety activities of the Murray City Fire Department during Fire Prevention Week 2021.

PASSED, APPROVED AND ADOPTED by the Mayor and Municipal Council of Murray City, Utah this 5th day of October 2021.

Murray City Corporation

Murray City Municipal Council

D. Blair Camp, Mayor

Diane Turner, Chair, District 4

Kat Martinez, District 1

Dale Cox, District 2

Attest:

Rosalba Dominguez, District 3

Brooke Smith, City Recorder

Brett A. Hales, District 5



MURRAY
CITY COUNCIL

Citizen Comments

Limited to three minutes, unless otherwise approved by Council



MURRAY
CITY COUNCIL

Public Hearing



MURRAY


Finance & Administration

Public hearing for issuance of debt to fund transportation projects

Council Action Request

Council Meeting

Meeting Date: October 5, 2021

Department Director Brenda Moore	Purpose of Proposal Hear comments on the issuance of debt for transportation projects
Phone # 801-264-2513	Action Requested Public Hearing
Presenters Brenda Moore	Attachments None
	Budget Impact
Required Time for Presentation	Description of this Item The parameters for the HB244 transportation bond were passed on September 7. The Par amount is not to exceed \$6,750,000.
Is This Time Sensitive No	This is a public hearing to receive comments concerning issuing debt.
Mayor's Approval 	The State of Utah code dictates the City pass the bond parameters and then have a public hearing.
Date September 21, 2021	



Business Items



MURRAY
CITY COUNCIL

Business Item #1



MURRAY


Finance & Administration

Bond Preliminary Official Statement approval

Council Action Request

Council Meeting

Meeting Date: October 5, 2021

Department Director Brenda Moore Phone # 801-264-2513 Presenters Brenda Moore Required Time for Presentation 15 Minutes Is This Time Sensitive No Mayor's Approval  Date September 21, 2021	Purpose of Proposal Issue bonds for transportation projects. Action Requested Consider a resolution approving the Preliminary Official Statement and other matters. Attachments Draft of the resolution and Preliminary Official Statement. Budget Impact Description of this Item Normally when the bond parameters are approved the Preliminary Official Statement and other documents are included and approved at the same time. Because the city hopes to sell the bonds before interest rates rise, the parameters were approved before the Preliminary Official Statement was written. This resolution approves the Preliminary Official Statement, and reiterates who is authorized to make changes to the statement and complete the sale of the bonds. The Preliminary Official Statement is a document that is released to investors to tell them about Murray City and the bond offering to encourage investment interest.
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PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER [18], 2021

NEW ISSUE
Book-Entry Only Form

Rating: S&P “_____”
(See “BOND RATING” herein.)

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2021 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Series 2021 Bonds is exempt from State of Utah individual income taxes. See “TAX MATTERS” in this Official Statement.

MURRAY CITY, UTAH
\$ _____ *
SALES TAX REVENUE BONDS,
SERIES 2021

Dated: Date of Delivery

Due: November 15, as shown below

The Murray City, Utah Sales Tax Revenue Bonds, Series 2021 (the “Series 2021 Bonds”) are issuable as fully registered bonds and when initially issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Series 2021 Bonds. Purchases of Series 2021 Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC participants. Owners of the Series 2021 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2021 Bonds. Interest on the Series 2021 Bonds is payable on May 15 and November 15 of each year, commencing May 15, 2022, all as more fully described herein. Payment of the principal of and interest on such Series 2021 Bonds will be made directly to DTC or its nominee. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC participants. See “THE SERIES 2021 BONDS—Book-Entry Only System” herein.

The Series 2021 Bonds are subject to optional redemption prior to maturity. See “THE SERIES 2021 BONDS—Redemption” herein.

The proceeds of the Series 2021 Bonds will be used by the City to (i) finance public transportation and road improvements and other related improvements (the “Series 2021 Project”), and (ii) pay costs of issuance of the Series 2021 Bonds.

The Series 2021 Bonds are special limited obligations of the City, payable solely from the Revenues, moneys, securities and funds pledged therefor in the Indenture (as herein defined) between the City and Zions Bancorporation, National Association, as trustee (the “Trustee”). The Revenues consist of Pledged Sales and Use Taxes (as defined herein). The Series 2021 Bonds are secured by the Revenues on a parity with the Outstanding Parity Bonds (defined herein), which are outstanding in the total aggregate amount of \$10,555,000. No assurance can be given that the Pledged Sales and Use Taxes will remain sufficient for the payment of the principal of or interest on the Series 2021 Bonds and the City is limited by Utah law in its ability to increase the rate of such taxes. The Series 2021 Bonds do not constitute a general obligation indebtedness or a pledge of the ad valorem taxing power or the full faith and credit of the City and are not obligations of the State of Utah or any other agency or other political subdivision or entity of the State of Utah. The City will not mortgage or grant any security interest in the improvements financed with the proceeds of the Series 2021 Bonds or any portion thereof to secure payment of the Series 2021 Bonds. See “SECURITY FOR THE BONDS” herein.

MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS

Due (Nov 15)	Principal Amount*	Interest Rate	Yield	CUSIP† (626861)	Due (Nov. 15)	Principal Amount*	Interest Rate	Yield	CUSIP† (626861)
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† None of the City, the Trustee, or the Underwriter are responsible for the use of CUSIP numbers, nor is any representation made as to the accuracy of the CUSIP numbers. The CUSIP numbers are contained herein solely for the convenience of readers of this Official Statement.

The Series 2021 Bonds are offered when, as and if issued by the City and subject to the approval of their legality by Gilmore & Bell, P.C., Bond Counsel to the City. Certain legal matters will be passed upon for the City by G.L. Critchfield, Esq., City Attorney. Certain matters will be passed upon for the City by Gilmore & Bell, P.C., as disclosure counsel to the City. It is expected that the Series 2021 Bonds, in book-entry only form, will be available for delivery to DTC or its agent on or about November 30, 2021.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. This Official Statement is dated October __, 2021, and the information contained herein speaks only as of that date.

[UNDERWRITER]

* Preliminary; subject to change.

The information set forth herein has been obtained from the City, DTC, and other sources that are believed to be reliable. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made thereafter shall under any circumstances create any implication that there has been no change in the affairs of the City, or in any other information contained herein since the date hereof.

No dealer, broker, salesman or any other person has been authorized by the City or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement, in connection with the offering contained herein, and, if given or made, such information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy nor shall there be any sale of the Series 2021 Bonds by any person in any jurisdiction in which it is unlawful for such offer, solicitation or sale.

This Official Statement contains “forward-looking statements” within the meaning of the federal securities laws. These forward-looking statements include, among others, statements concerning expectations, beliefs, opinions, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements.

The Underwriter has provided the following sentence for inclusion in this Official Statement:

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The yields at which the Series 2021 Bonds are offered to the public may vary from the initial reoffering yields on the front cover page of this Official Statement. In connection with this offering, the Underwriter may engage in transactions that stabilize, maintain or otherwise affect market prices of the Series 2021 Bonds. Such transactions, if commenced, may be discontinued at any time.

The City maintains a website; however, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2021 Bonds.

THE SERIES 2021 BONDS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. THE SERIES 2021 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

MURRAY CITY, UTAH
\$ _____ *
SALES TAX REVENUE BONDS,
SERIES 2021

Murray City, Utah
5025 South State Street
Murray, Utah 84107

MAYOR AND MUNICIPAL COUNCIL

D. Blair Camp.....	Mayor
Dale Cox.....	Councilmember
Rosalba Dominguez.....	Councilmember
Brett A. Hales.....	Councilmember
Kat Martinez.....	Councilmember
Diane Turner.....	Councilmember

CITY ADMINISTRATION

Doug Hill.....	Chief Administrative Officer
Brenda Moore.....	Finance and Administration Director
G.L. Critchfield	City Attorney
Brooke Smith.....	City Recorder
Wendell Coombs	Treasurer

TRUSTEE, PAYING AGENT & REGISTRAR

Zions Bancorporation, National Association
One South Main Street, 12th Floor
Salt Lake City, Utah 84133
(801) 844-7253

UNDERWRITER

[To be determined]

MUNICIPAL ADVISOR

Stifel, Nicolaus & Company, Incorporated
15 West South Temple, Suite 1090
Salt Lake City, Utah 84101
(385) 799-7231

BOND & DISCLOSURE COUNSEL

Gilmore & Bell, P.C.
15 West South Temple, Suite 1450
Salt Lake City, Utah 84101
(801) 364-5080

* Preliminary; subject to change.

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OFFICIAL STATEMENT
RELATING TO
MURRAY CITY, UTAH
\$ _____*
SALES TAX REVENUE BONDS,
SERIES 2021

INTRODUCTION

This Official Statement, including the cover page, introduction, and appendices, provides information in connection with the issuance and sale by Murray City, Utah (the “City”) of its \$ _____* Sales Tax Revenue Bonds, Series 2021 (the “Series 2021 Bonds”), initially issued in book-entry form only. This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Series 2021 Bonds to potential investors is made only by means of the entire Official Statement.

See also the following appendices attached hereto: APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF MURRAY CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020; APPENDIX B—EXTRACTS OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE OF TRUST; APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY; APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING; APPENDIX E—FORM OF OPINION OF BOND COUNSEL; APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM.

The City

The City is located in the central portion of Salt Lake County approximately 8 miles south of Salt Lake City. The City is primarily residential in nature with numerous commercial areas along major streets. The City was incorporated in 1903 and the U.S. Census Bureau estimated its 2020 population to be 50,637 residents. For additional information regarding the City, see “THE CITY” herein, and “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF MURRAY CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020” and “APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY.”

Authorization and Purpose of the Series 2021 Bonds

The Series 2021 Bonds are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14 (the “Act”), Utah Code Annotated 1953, as amended (“Utah Code”), and other applicable provisions of law; (ii) resolutions adopted on September 7, 2021 and October 5, 2021 (together, the “Resolution”), by the Municipal Council of the City (the “Municipal Council”) which provide for the issuance of the Series 2021 Bonds; and (iii) a General Indenture of Trust, dated as of April 1, 2002, as heretofore amended and supplemented (the “General Indenture”), and as further amended and supplemented by a Seventh Supplemental Indenture of Trust dated as of November 1, 2021 (the “Seventh Supplemental Indenture,” and together with the General Indenture, the “Indenture”) each between the City and Zions Bancorporation, National Association, as trustee (the “Trustee”).

The proceeds of the Series 2021 Bonds will be used by the City to (i) finance public transportation and road improvements and other related improvements (the “Series 2021 Project”), and (ii) pay costs of issuance of the Series 2021 Bonds. See “THE SERIES 2021 PROJECT” and “ESTIMATED SOURCES AND USES OF FUNDS” herein.

* Preliminary; subject to change.

Security and Sources of Payment; Limited Obligations

The Series 2021 Bonds are special, limited obligations of the City, payable solely from and secured solely by a pledge of the Revenues and certain funds and accounts established by the Indenture. The Revenues consist of all the revenues produced by local sales and use taxes levied by the City under the Local Sales and Use Tax Act, Title 59, Chapter 12, Part 2, Utah Code (the “Pledged Sales and Use Taxes”). No assurance can be given that the Pledged Sales and Use Taxes will remain sufficient for the payment of the principal of or interest on the Series 2021 Bonds and the City is limited by Utah law in its ability to increase the rate of such taxes. The Series 2021 Bonds do not constitute a general obligation indebtedness or a pledge of the ad valorem taxing power or the full faith and credit of the City and are not obligations of the State of Utah or any other agency or other political subdivision or entity of the State of Utah. The City will not mortgage or grant any security interest in the improvements financed with the proceeds of the Series 2021 Bonds or any portion thereof to secure payment of the Series 2021 Bonds. See “SECURITY FOR THE BONDS” herein.

Outstanding Parity Bonds; Subordinate Pledge Obligation

The City has previously issued and has outstanding under the Indenture its (i) Sales Tax Revenue Bonds, Series 2016 and (ii) Sales Tax Revenue Bonds, Series 2018. As of October 1, 2021, said Bonds are outstanding in the aggregate principal amount of \$10,555,000 (collectively, the “Outstanding Parity Bonds”). The Series 2021 Bonds are secured under the Indenture on a parity with the Outstanding Parity Bonds.

The City, along with certain other Utah municipalities (collectively, the “UTOPIA Members”) has entered into an Interlocal Cooperative Agreement (the “UTOPIA Interlocal Agreement”) pursuant to which the Members formed the Utah Telecommunication Open Infrastructure Agency (“UTOPIA”). UTOPIA has undertaken the construction of a fiber optic telecommunications network that provides high-speed broadband voice, video and data access to certain of its Members (the “Pledging UTOPIA Members”) that have entered into Pledge and Loan Agreements with UTOPIA (the “UTOPIA Pledge Agreements”). Pursuant to the UTOPIA Pledge Agreements, the Pledging Members have agreed to transfer to UTOPIA a portion of such Pledging Members’ sales and use taxes to provide a source of payment for certain bonds issued by UTOPIA. In 2011, UTOPIA issued such bonds in the aggregate principal amount of \$185,000,000 (the “UTOPIA Bonds”) (a portion of these proceeds were used to refund its prior series of bonds). Each UTOPIA Pledge Agreement provides that the Pledging Members’ obligation to make such transfer is limited to a certain annual maximum amount. The maximum amount of Pledged Sales and Use Taxes committed by the City for the year ended June 30, 2020, was \$1,818,993, with a 2% increase per year through 2040 (to a maximum amount of \$2,698,430). The City’s obligation under its UTOPIA Pledge Agreement is subordinate to the lien of the hereinafter defined Bonds, including the Series 2021 Bonds.

Additional Bonds

The Indenture permits the issuance of Additional Bonds secured by the Revenues on a parity with the Outstanding Bonds and the Series 2021 Bonds, but requires that the City provide certain certificates and opinions as a condition to the issuance of Additional Bonds. Among other conditions, the City must demonstrate that the Revenues for a consecutive 12-month period within the 24 months preceding the issuance of Additional Bonds are equal to at least 200% of the maximum aggregate annual debt service requirement on the Series 2021 Bonds then outstanding and the proposed Additional Bonds plus the maximum annual installments due on all outstanding Reserve Instrument Repayment Obligations, if any. The Outstanding Parity Bonds, the Series 2021 Bonds and any Additional Bonds are sometimes collectively referred to herein as the “Bonds.”

Furthermore, pursuant to the UTOPIA Pledge Agreement, the City must demonstrate that Pledged Sales and Use Taxes for the immediately preceding fiscal year (as adjusted pursuant to the UTOPIA Pledge Agreement) are equal to at least 150% of the sum of maximum annual debt service of (x) the Additional Bonds, (y) any Outstanding Bonds, and (z) the total maximum amount pledged by the City under the UTOPIA Pledge Agreement, tested for the period of such Additional Bonds. See “SECURITY FOR THE BONDS—Additional Bonds” herein.

Pledged Sales and Use Taxes

The City levies a local sales and use tax at the rate of 1.00% on all taxable sales of goods and services (the “Local Sales and Use Tax”) and an additional sales and use tax of 0.20% (the “City or Town Option Sales and Use Tax,” and together with the Local Sales and Use Tax, the “Pledged Sales and Use Taxes”).

The Pledged Sales and Use Taxes for fiscal year 2020 were \$20,650,348. Said amount is estimated to provide approximately _____* times the maximum annual debt service requirements on the Series 2021 Bonds and the Outstanding Parity Bonds, assuming that Revenues from Pledged Sales and Use Taxes remain the same over the life of the Series 2021 Bonds and the Outstanding Parity Bonds. See “SECURITY FOR THE BONDS—Pledged Sales and Use Taxes” and “—Historical and Projected Debt Service Coverage,” herein.

State Pledge of Nonimpairment

In accordance with Section 11-14-307, Utah Code Annotated 1953, as amended, the State pledges and agrees with the holders of the Series 2021 Bonds that it will not alter, impair or limit the Pledged Sales and Use Taxes in a manner that reduces the amounts to be rebated to the City which are devoted or pledged for the payment of the Series 2021 Bonds until the Series 2021 Bonds, together with applicable interest, are fully met and discharged; provided, however, that nothing shall preclude such alteration, impairment or limitation if and when adequate provision shall be made by law for the protection of the holders of the Series 2021 Bonds.

The City notes that this provision has not been interpreted by a court of law and, therefore, the extent that such provision would (i) be upheld under constitutional or other legal challenge, (ii) protect the current rates and collection of all Pledged Sales and Use Taxes, or (iii) impact any other aspect of Pledged Sales and Use Taxes, cannot be predicted by the City.

Redemption

The Series 2021 Bonds are subject to optional redemption prior to maturity. See “THE SERIES 2021 BONDS—Redemption” herein.

Registration, Denominations and Manner of Payment

The Series 2021 Bonds are issuable only as fully registered bonds without coupons and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Series 2021 Bonds. Purchases of Series 2021 Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC participants. Beneficial Owners of the Series 2021 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2021 Bonds.

Principal of and interest on the Series 2021 Bonds (interest payable May 15 and November 15 of each year, commencing May 15, 2022) are payable by Zions Bancorporation, National Association, as paying agent (the “Paying Agent”), to the registered owners of the Series 2021 Bonds. So long as DTC is the registered owner, it will, in turn, remit such principal and interest payments to its Participants, for subsequent disbursements to the Beneficial Owners of the Series 2021 Bonds, as described under “THE SERIES 2021 BONDS—Book-Entry Only System” herein.

Tax Status

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2021 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative

* Preliminary; subject to change.

minimum tax imposed on individuals and corporations. Bond Counsel is also of the opinion that the interest on the Series 2021 Bonds is exempt from State of Utah individual income taxes. See “TAX MATTERS” in this Official Statement. Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of or the accrual or receipt of interest on the Series 2021 Bonds.

Conditions of Delivery, Anticipated Date, Manner and Place of Delivery

The Series 2021 Bonds are offered, subject to prior sale, when, as and if issued and received by the Underwriter subject to approval of legality by Gilmore & Bell, P.C., Bond Counsel to the City, and certain other conditions. Certain legal matters will be passed on for the City by G.L. Critchfield, Esq., City Attorney. It is expected that the Series 2021 Bonds in book-entry form will be available for delivery for deposit with DTC or its agent on or about November 30, 2021.

Continuing Disclosure

The City will execute a Continuing Disclosure Undertaking for the benefit of the beneficial owners of the Series 2021 Bonds to enable the Underwriter to comply with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. See “CONTINUING DISCLOSURE” and “APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING.”

Basic Documentation

The “basic documentation,” which includes the Resolution, the Indenture and other documentation, authorizing the issuance of the Series 2021 Bonds and establishing the rights and responsibilities of the City and other parties to the transaction, may be obtained from the “contact persons” as indicated below.

Contact Persons

The chief contact person for the City concerning the Series 2021 Bonds is:

Brenda Moore
Finance and Administration Director
5025 South State Street
Murray, Utah 84107
Telephone: (801) 264-2513
E-mail: bmoore@murray.utah.gov

The chief contact persons for the Municipal Advisor concerning the Series 2021 Bonds are:

Preston F. Kirk
Matt Dugdale
Stifel, Nicolaus & Company, Incorporated
15 West South Temple, Suite 1090
Salt Lake City, Utah 84101
Telephone: (385) 799-7231
E-mail: kirkp@stifel.com
E-mail: dugdalem@stifel.com

THE SERIES 2021 BONDS

General

The Series 2021 Bonds are dated as of the date of their initial delivery, and except as otherwise provided in the Indenture, shall bear interest from said date. Interest on the Series 2021 Bonds will be payable semiannually on May 15 and November 15 of each year commencing May 15, 2022. The Series 2021 Bonds are issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof.

The Series 2021 Bonds shall bear interest at the rates and shall mature on the dates as described on the cover page hereof. Interest on the Series 2021 Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on the Series 2021 Bonds will be payable by check or draft mailed by the Trustee to the registered owner thereof (initially DTC) as of the Record Date.

Redemption

[Optional Redemption]. The Series 2021 Bonds maturing on or prior to November 15, 20____, are not subject to redemption prior to maturity. The Series 2021 Bonds maturing on or after November 15, 20____, are subject to redemption prior to maturity at the option of the City in whole or in part on any date on and after November 15, 20____, and if in part, in such order of maturity as may be directed by the City at a redemption price equal to 100% of the principal amount of the Series 2021 Bonds to be redeemed plus accrued interest to the date of redemption.]

Notice and Effect of Redemption. Notice of redemption shall be mailed by first class mail, postage prepaid, to all Registered Owners of Series 2021 Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar at least 30 days but not more than 60 days prior to the date fixed for redemption. Such notice shall contain certain information set forth in the Indenture.

If at the time of mailing of any notice of redemption there shall not be on deposit with the Trustee moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that such redemption is subject to the deposit of the redemption moneys with the Trustee not later than the opening of business on the redemption date and that such notice shall be of no effect unless such moneys are so deposited.

Partially Redeemed Series 2021 Bonds. In case any registered Series 2021 Bond shall be redeemed in part only, upon the presentation of such Series 2021 Bond for such partial redemption, the City shall execute and the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the City, a Series 2021 Bond or Series 2021 Bonds of the same interest rate and maturity, in aggregate principal amount equal to the unredeemed portion of such registered Series 2021 Bond. A portion of any Series 2021 Bond of a denomination of more than the minimum denomination to be redeemed will be in the principal amount of such minimum denomination or an integral multiple thereof and in selecting portions of such Series 2021 Bonds for redemption, the Trustee will treat each such Series 2021 Bond as representing that number of Series 2021 Bonds of such minimum denomination which is obtained by dividing the principal amount of such Series 2021 Bonds by such minimum denomination.

Book-Entry Only System

The Series 2021 Bonds are issuable as fully registered bonds and when initially issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Series 2021 Bonds. So long as such Series 2021 Bonds are held in the Book-Entry Only system, DTC or its nominee will be the registered owner or Holder of such Series 2021 Bonds for all purposes of the Indenture, the Series 2021 Bonds and this Official Statement. Purchases of beneficial ownership interests in the Series 2021 Bonds may be made in the denominations described above. For a description of the book-entry system for the Series 2021 Bonds, see “APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM.”

Registration, Transfer and Exchange

In the event that the book-entry only system has been terminated, the Series 2021 Bonds, upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the Bondowner or his duly authorized attorney, may be exchanged for an equal aggregate principal amount of Series 2021 Bonds of the same series, designation, interest rate, and maturity and of any other authorized denominations.

The Trustee shall require the payment by the Bondholder requesting exchange or transfer of Series 2021 Bonds of any tax or other governmental charge which are required to be paid with respect to such exchange or transfer.

The Trustee shall not be required to transfer or exchange any Series 2021 Bonds (i) during the period from and including any Regular Record Date, to and including the next succeeding Interest Payment Date, (ii) during the period from and including the day fifteen days prior to any Special Record Date, to and including the date of the proposed payment pertaining thereto, (iii) during the period from and including the day fifteen days prior to the mailing of notice calling any Series 2021 Bonds for redemption, to and including the date of such mailing, or (iv) at any time following the mailing of notice calling such Series 2021 Bond for redemption.

SECURITY FOR THE BONDS

Special Limited Obligations

The Series 2021 Bonds are special limited obligations of the City, and are payable solely from the Revenues, moneys, securities and funds pledged therefor in the Indenture. The Series 2021 Bonds will not be a general obligation of the City or the State of Utah or any agency, instrumentality or political subdivision thereof. Neither the full faith and credit nor the taxing power of the City or the State or any agency, instrumentality or political subdivision thereof will be assigned or pledged for payment of principal of, premium, if any, and interest on the Series 2021 Bonds. The issuance of the Series 2021 Bonds shall not directly, indirectly or contingently obligate the City or the State or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefor. The City will not mortgage or grant a security interest in the improvements financed with the proceeds of the Series 2021 Bonds or any portion thereof to secure payment of the Series 2021 Bonds.

Flow of Funds

To secure the timely payment of the principal of and interest on the Bonds, the City has pledged and assigned to the Trustee the Revenues and all moneys in the funds and accounts established by the Indenture. The Indenture establishes a Construction Fund, a Bond Fund, a Debt Service Reserve Fund, a Revenue Fund and certain other funds and accounts.

The Revenues represent all amounts received by the City from the Pledged Sales and Use Taxes levied by the City. The Indenture provides that all Revenues shall be accounted for by the City separate and apart from all other moneys of the City. The Indenture provides that the Revenues shall be expended and used by the City only in the following manner and order of priority:

(a) So long as any Bonds are Outstanding and as a first charge and lien on the Revenues, the City shall on or before the fifteenth day of each month allocate to the Revenue Fund an amount equal to:

(i) approximately one-sixth of the interest falling due on the Bonds (or, if the first Interest Payment Date is less than six months away, the City shall allocate to the Revenue Fund an amount sufficient to total the interest payable on the Bonds in equal monthly installments) on the next succeeding Interest Payment Date established for the Bonds (provided, however, that so long as there are moneys representing capitalized interest on deposit with the Trustee to pay interest on the Bonds next coming due, the City need not allocate to the Revenue Fund to pay interest on the Bonds); plus

(ii) if principal is due on the Bonds within the next succeeding 12 months, approximately one-twelfth of the principal and premium, if any, falling due on the next succeeding principal payment date established for the Bonds (or, if the first principal payable on the Bonds is less than twelve months away, the City shall allocate to the Revenue Fund an amount sufficient to total the principal payable on the Bonds in equal monthly installments); plus

(iii) if a Sinking Fund installment is due on the Bonds within the next succeeding 12 months, approximately one-twelfth of the Sinking Fund Installments falling due on the next succeeding Sinking Fund Installment payment date (or, if the first Sinking Fund Installment is less than twelve months away, the Issuer shall allocate to the Revenue Fund an amount sufficient to total the first Sinking Fund Installment on the Bonds in equal monthly installments);

(iv) Administrative Costs which shall be paid by the City from time to time as they become due and payable,

the sum of which shall be sufficient, when added to the existing balance in the Bond Fund, to pay the principal of, premium, if any, and interest on the Bonds promptly on each such Interest Payment Date as the same become due and payable and to pay administrative costs. The City shall ensure that at least fifteen days prior to each Interest Payment Date sufficient Revenues are transferred to the Bond Fund to pay the principal of, premium, if any, and interest on the Bonds on each such Interest Payment Date.

(b) As a second charge and lien on the Revenues, the City shall make the following transfers to the Trustee on or before the fifteenth day of each month of each year:

(i) To the extent the Debt Service Reserve Requirement, if any, is not funded with a Reserve Instrument or Instruments, (A) to the accounts in the Debt Service Reserve Fund any amounts required by the Indenture to accumulate therein the applicable Debt Service Reserve Requirement at the times and in the amounts provided in the Indenture and (B) if funds shall have been withdrawn from an account in the Debt Service Reserve Fund to pay debt service or Sinking Fund Installments, the City shall deposit Revenues in such account in the Debt Service Reserve Fund sufficient in amount to restore such moneys so withdrawn within the period required by the Supplemental Indenture governing the applicable Debt Service Reserve Requirement; or a ratable portion (based on the amount to be transferred pursuant to Subparagraph (ii) of this Paragraph (b)) of remaining Revenues if less than the amount necessary, and

(ii) Equally and ratably to the accounts of the Reserve Instrument Fund, with respect to all Reserve Instruments which are in effect and are expected to continue in effect after the end of such month, such amount of the remaining Revenues, or a ratable portion (based on the amount to be transferred pursuant to Subparagraph (i) of this Paragraph (b)) of the amount so remaining if less than the amount necessary, that is required to be paid, on or before the next such monthly transfer or deposit of Revenues into the Reserve Instrument Fund, to the Reserve Instrument Provider pursuant to any Reserve Instrument Agreement, other than Reserve Instrument Costs, in order to cause the Reserve Instrument Coverage to equal the Reserve Instrument Limit.

(c) The Revenues remaining after the foregoing deposits and transfers in each month and not required to be used for remedying any deficiencies in payments previously made into the Funds established in the Indenture, may be used at any time for any other lawful purpose.

Pledged Sales and Use Taxes

The Local Sales and Use Tax Act, Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended (the "Local Sales and Use Tax Act"), provides that each city and town in the State may levy a local sales and use tax of up to 1.00% on the purchase price of taxable goods and services. The City currently levies sales and use taxes at the full rate of 1.00%. The legislative intent contained in the Local Sales and Use Tax Act is to provide an additional source of revenues to counties and municipalities that is to be used to finance their capital outlay requirements and to service

their bonded indebtedness. The local sales and use taxes discussed in this section and received by the City are part of the Pledged Sales and Use Taxes from which Revenues are derived.

The City also levies an additional sales and use tax of 0.20% under Title 59, Chapter 12, Part 21, Utah Code (the “City or Town Option Sales and Use Tax Act”), which is intended to help cities make up for discrepancies in the tax distribution formula. Under the City or Town Option Sales and Use Tax Act, the City may continue to impose the tax until no later than June 30, 2030. The sales and use tax revenues received by the City under the City or Town Option Sales and Use Tax Act are part of the Revenues that are pledged as a component of Pledged Sales and Use Taxes.

The Pledged Sales and Use Taxes are levied in addition to a statewide sales and use tax (the “Statewide Tax”) which is currently imposed at a rate of 4.85% of the purchase price of taxable goods and services (except that only 1.75% is levied on unprepared food and food ingredients), with sales of natural gas, electricity and fuel oil for residential use being taxed at the statewide rate of 2.00%. The taxable transactions and the exemptions under the Local Sales and Use Tax Act and the City or Town Option Sales and Use Tax Act conform to those of the statewide sales and use tax.

Sales tax is imposed on the amount paid or charged for sales of tangible personal property in the State and for services rendered in the State for the repair, renovation or installation of tangible personal property. Use tax is imposed on the amount paid or charged for the use, storage or other consumption of tangible personal property in the State, including services for the repair, renovation or installation of such tangible personal property. Sales and use taxes also apply to leases and rentals of tangible personal property if the tangible personal property is in the State, the lessee takes possession in the State or the tangible personal property is stored, used or otherwise consumed in the State.

In addition to the sales and use taxes described above, counties and cities in the State are authorized to impose sales and use taxes to fund a public transportation system, for zoo, art and parks purposes and at the option of the county for general fund purposes of the county, which sales and use taxes do not constitute Pledged Sales and Use Taxes. Salt Lake County (the “County”) currently imposes sales and use taxes to fund public transportation, for zoo, art and parks purposes and for general fund purposes of the County. None of these taxes are pledged as a component of Pledged Sales and Use Taxes. The total sales and use tax imposed in the City (other than certain specialty taxes, including a motor vehicle rental tax, a transient room tax and a tourism restaurant tax imposed by the County) is 7.45%.

Local sales and use taxes, including the Pledged Sales and Use Taxes, are collected by the Utah State Tax Commission and distributed on a monthly basis to each county, city and town. The distributions are based on a formula, which provides that (1) 50% of sales tax collections will be distributed on the basis of the population of the local government and (2) 50% of sales tax collections will be distributed on the basis of the point of sale (the “50/50 Distribution”). The 50/50 Distribution formula is subject to the provision that certain qualifying counties, cities and towns are eligible to receive a minimum tax revenue distribution (as further detailed in the Local Sales and Use Tax Act) if such amount is greater than the 50/50 Distribution.

A sales and use tax due and unpaid constitutes a debt due from the vendor and may be collected, together with interest, penalty, and costs, by appropriate judicial proceeding within three years after the vendor is delinquent. Furthermore, if a sales and use tax is not paid when due and if the vendor has not followed the procedures to object to a notice of deficiency, the Utah State Tax Commission may issue a warrant directed to the sheriff of any county commanding him to levy upon and sell the real and personal property of a delinquent taxpayer found within such county for the payment of the tax due. The amount of the warrant shall have the force and effect of an execution against all personal property of the delinquent taxpayer and shall become a lien upon the real property of the delinquent taxpayer in the same manner as a judgment duly rendered by any district court.

The following table shows the amounts of Pledged Sales and Use Taxes received by the City from the Utah State Tax Commission for the fiscal years shown:

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Pledged Sales</u> <u>and Use Taxes</u>	<u>Percent Change</u> <u>From Prior Year</u>
2021 ^{(1) (2)}	\$23,535,060	13.97%
2020 ⁽¹⁾	20,650,348	0.60
2019 ⁽¹⁾	20,526,375	2.14
2018 ⁽¹⁾	20,095,999	4.52
2017 ⁽¹⁾	19,227,686	10.46
2016 ⁽¹⁾	17,407,444	24.12
2015	14,024,199	4.18
2014	13,461,012	4.99
2013	12,821,666	1.65
2012	12,613,871	0.19
2011	12,589,925	—

(1) The City began levying an additional sales and use tax of 0.20% under the City or Town Option Sales and Use Tax Act, effective October 1, 2015. Under State law, the City can only levy this tax up to June 30, 2030.

(2) Unaudited; subject to change.

(Source: The City.)

The Pledged Sales and Use Taxes for fiscal year 2020 were \$20,650,348. Said amount is estimated to provide approximately _____* times the maximum annual debt service requirements on the Series 2021 Bonds and the Outstanding Parity Bonds, assuming that Revenues from Pledged Sales and Use Taxes remain the same over the life of the Series 2021 Bonds and the Outstanding Parity Bonds.

The largest sales taxpayers (those with over 1% of total sales taxes paid) as of June 30, 2020 located within the City consist of nine auto or recreational vehicle dealerships, ten retail and specialty stores, one wholesale trade store which collectively account for approximately 41.4% of the total sales and use taxes received by the City. State law prohibits the City to disclose actual dollar figures of sales and use tax collections by specific entities.

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* Preliminary; subject to change.

Historical and Projected Debt Service Coverage

Historical and Projected Debt Service Coverage

	Sales Tax Revenue	Local Option Sales Tax Revenue	Total Pledged Taxes	Series 2007	Series 2009A	Series 2009B	Series 2014	Series 2016	Series 2018	Series 2021*	Total D/S All Bonds	Coverage
2013	12,821,666	-	12,821,666	\$ 1,110,406	\$ 503,388	\$ 286,858	\$ -	\$ -	\$ -	\$ -	\$ 1,900,651	6.75
2014	13,461,012	-	13,461,012	766,706	472,288	284,058	-	-	-	-	1,523,051	8.84
2015	14,024,199	-	14,024,199	773,706	440,038	285,313	270,864	-	-	-	1,769,920	7.92
2016	14,608,793	2,798,651 (1)	17,407,444	766,656	412,663	-	279,269	-	-	-	1,458,588	11.93
2017	15,309,319	3,918,366 (1)	19,227,685	710,703	180,240 (2)	-	278,771	123,878	-	-	1,293,592	14.86
2018	16,016,038	4,079,961 (1)	20,095,999	-	169,990 (2)	-	279,234	293,400	37,951	-	780,575	25.75
2019	16,366,896	4,159,480 (1)	20,526,376	-	159,590 (2)	-	279,643	292,775	534,606	-	1,266,614	16.21
2020	16,549,990	4,100,358 (1)	20,650,348	-	159,390 (2)	-	-	566,300	535,956	-	1,261,646	16.37
2021	18,878,580	4,656,480 (1)	23,535,060	-	- (2)	-	-	563,900	535,306	-	1,099,206	21.41
2022	18,878,580	4,656,480 (1)	23,535,060	-	- (2)	-	-	566,000	537,406	250,000	1,353,406	17.39
2023	18,878,580	4,656,480 (1)	23,535,060	-	- (2)	-	-	567,500	537,106	500,000	1,604,606	14.67
2024	18,878,580	4,656,480 (1)	23,535,060	-	-	-	-	563,500	536,206	500,000	1,599,706	14.71
2025	18,878,580	4,656,480 (1)	23,535,060	-	-	-	-	564,000	534,706	500,000	1,598,706	14.72
2026	18,878,580	4,656,480 (1)	23,535,060	-	-	-	-	563,900	537,506	500,000	1,601,406	14.70
2027	18,878,580	4,656,480 (1)	23,535,060	-	-	-	-	568,100	534,606	500,000	1,602,706	14.68
2028	18,878,580	4,656,480 (1)	23,535,060	-	-	-	-	566,600	536,006	500,000	1,602,606	14.69
2029	18,878,580	4,656,480 (1)	23,535,060	-	-	-	-	564,500	536,606	500,000	1,601,106	14.70
2030	18,878,580	4,656,480 (1)	23,535,060	-	-	-	-	566,700	534,056	500,000	1,600,756	14.70
2031	18,878,580	-	18,878,580	-	-	-	-	568,100	533,203	500,000	1,601,303	11.79
2032	18,878,580	-	18,878,580	-	-	-	-	563,800	-	500,000	1,063,800	17.75
2033	18,878,580	-	18,878,580	-	-	-	-	563,800	-	500,000	1,063,800	17.75
2034	18,878,580	-	18,878,580	-	-	-	-	567,900	-	500,000	1,067,900	17.68
2035	18,878,580	-	18,878,580	-	-	-	-	566,100	-	500,000	1,066,100	17.71
2036	18,878,580	-	18,878,580	-	-	-	-	-	-	500,000	500,000	37.76
2037	18,878,580	-	18,878,580	-	-	-	-	-	-	500,000	500,000	37.76
2038	18,878,580	-	18,878,580	-	-	-	-	-	-	-	-	-
				\$ 4,128,177	\$ 2,497,585	\$ 856,228	\$ 1,387,781	\$ 9,760,753	\$ 7,001,229	\$ 7,750,000	\$ 33,381,753	

Notes:

1. The City began levying an additional sales and use tax of 0.20% under the City or Town Option Sales and Use Tax Act, effective October 1, 2015.
Under State law, the City can only levy this tax up to June 30, 2030.
 2. On June 14, 2016 the City defeased a portion of the Series 2009A Bonds maturing in 2017 - 2023. The City paid off the remaining principal balance on August 1, 2021.
- * Preliminary; subject to change.

No Debt Service Reserve Requirement

There will be no Debt Service Reserve Requirement with respect to the Series 2021 Bonds under the Indenture.

Additional Bonds

No additional indebtedness, bonds or notes of the City payable on a senior lien priority to the pledge of Revenues for the payment of the Bonds and the Security Instrument Repayment Obligations shall be created or incurred without the prior written consent of the Owners of 100% of the Outstanding Bonds and the Security Instrument Issuers. In addition, no Additional Bonds or other indebtedness, bonds or notes of the City payable on a parity with the Bonds out of Revenues shall be created or incurred, unless the following requirements have been met:

(a) No Event of Default shall have occurred under the Indenture and be continuing under the Indenture on the date of authentication of any Additional Bonds. This paragraph (a) shall not preclude the issuance of Additional Bonds if (i) the issuance of such Additional Bonds otherwise complies with the provisions of the Indenture and (ii) such Event of Default will cease to continue upon the issuance of Additional Bonds and the application of the proceeds thereof; and

(b) A certificate shall be delivered to the Trustee by an Authorized Representative to the effect that the Revenues for any consecutive 12-month period in the 24 months immediately preceding the proposed date of issuance of such Additional Bonds were at least equal to 200% of the sum of (x) the maximum Aggregate Annual Debt Service Requirement on all Bonds and Additional Bonds to be Outstanding following the issuance of the Additional Bonds plus (y) the maximum annual installments due on all Reserve Instrument Repayment Obligations to be outstanding following the issuance of such Additional Bonds; provided, however, that such Revenue coverage test set forth above shall not apply to the issuance of any Additional Bonds to the extent they are issued for the purpose of refunding Bonds issued under the Indenture and the Average Aggregate Annual Debt Service for such Additional Bonds does not exceed the then remaining Average Aggregate Annual Debt Service for the Bonds being refunded therewith, and the maximum Aggregate Annual Debt Service Requirement for such Additional Bonds is less than or equal to the maximum Aggregate Annual Debt Service Requirement for the Bonds being refunded therewith; and

(c) All payments required by the Indenture to be made into the Bond Fund must have been made in full, and there must be in the Debt Service Reserve Fund (taking into account any Reserve Instrument Coverage) the full amount required by the Indenture to be accumulated therein at such time; and

(d) The proceeds of the Additional Bonds must be used (i) to refund Bonds issued under the Indenture or other obligations of the City (including the funding of necessary reserves and the payment of costs of issuance) or (ii) to finance or refinance a Project (including the funding of necessary reserves and the payment of costs of issuance).

Furthermore, pursuant to the UTOPIA Pledge Agreement, the City must demonstrate that Pledged Sales and Use Taxes for the immediately preceding fiscal year (as adjusted pursuant to the Pledge Agreement) are equal to at least 150% of the sum of maximum annual debt service of (x) the Additional Bonds, (y) any Outstanding Bonds, and (z) the total maximum amount pledged by the City under the Pledge Agreement, tested for the period of such Additional Bonds.

State Pledge of Nonimpairment

In accordance with Section 11-14-307, Utah Code, the State pledges and agrees with the holders of the Series 2021 Bonds that it will not alter, impair or limit the pledged excise taxes in a manner that reduces the amounts to be rebated to the City which are devoted or pledged for the payment of the Series 2021 Bonds until the Series 2021 Bonds, together with applicable interest, are fully met and discharged; provided, however, that nothing shall preclude such alteration, impairment or limitation if and when adequate provision shall be made by law for the protection of the holders of the Series 2021 Bonds.

The City notes that this provision has not been interpreted by a court of law and, therefore, the extent that such provision would (i) be upheld under constitutional or other legal challenge, (ii) protect the current rates and collection of all Pledged Sales and Use Taxes, or (iii) impact any other aspect of Pledged Sales and Use Taxes, cannot be predicted by the City.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds for the Series 2021 Bonds are shown below:

Sources of Funds

Par Amount of the Series 2021 Bonds	\$ _____
[Net] Reoffering Premium.....	_____
 TOTAL	 \$ _____

Uses of Funds

Deposit to Construction Fund.....	\$ _____
Costs of Issuance ⁽¹⁾	_____
 TOTAL	 \$ _____

⁽¹⁾ Costs of issuance include Underwriter's discount, Municipal Advisor, legal, rating agency, and Trustee fees and other costs and expenses related to the issuance of the Series 2021 Bonds.

THE SERIES 2021 PROJECT

Proceeds of the Series 2021 Bonds will be used to finance public transportation, road improvements and other related improvements.

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DEBT SERVICE SCHEDULE ON THE BONDS

The following table sets forth the combined debt service schedule for the Series 2021 Bonds and the Outstanding Parity Bonds.

<u>Payment Date</u>	<u>Series 2021 Bonds</u>		<u>Outstanding Parity Bonds⁽¹⁾</u>	<u>Fiscal Year Total</u>
	<u>Principal</u> *	<u>Interest</u>		
11/15/2021			-	
5/15/2022				
11/15/2022			-	
5/15/2023			1,261,206	
11/15/2023			-	
5/15/2024			1,099,706	
11/15/2024			-	
5/15/2025			1,098,706	
11/15/2025			-	
5/15/2026			1,101,406	
11/15/2026			-	
5/15/2027			1,102,706	
11/15/2027			-	
5/15/2028			1,102,606	
11/15/2028			-	
5/15/2029			1,101,106	
11/15/2029			-	
5/15/2030			1,100,756	
11/15/2030			-	
5/15/2031			1,101,303	
11/15/2031			-	
5/15/2032			563,800	
11/15/2032			-	
5/15/2033			563,800	
11/15/2033			-	
5/15/2034			567,900	
11/15/2034			-	
5/15/2035			566,100	
11/15/2035			-	
5/15/2036			-	
11/15/2036			-	
5/15/2037			-	
11/15/2037			-	
TOTAL			<u> </u>	

⁽¹⁾ Fiscal year totals ending June 30 of the year given, includes principal and interest and amounts have been rounded.

* Preliminary; subject to change.

(Source: The Municipal Advisor.)

THE CITY

General Information

The City is located in the central portion of Salt Lake County approximately 8 miles south of Salt Lake City. The City is primarily residential in nature, with numerous commercial areas along major streets. The City was incorporated in 1903 and the U.S. Census Bureau estimated its 2020 population to be 50,637 residents. For additional information regarding the City, see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF MURRAY CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020” and “APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY.”

Form of Government

The City is currently governed by a Mayor elected at large and a Municipal Council consisting of five councilmembers, elected within districts, by voters in the City. A measure of continuity is provided in the Municipal Council by the election of the councilmembers to four-year overlapping terms. Duties of the councilmembers include the responsibility for all City affairs in general. The Municipal Council must approve and may revise the budget of any City department. The Municipal Council serves as the legislative body of the City and appropriates funds for the various City functions. The Municipal Council is the tax levying body, determining the necessary City property tax levy each year. All other officials and department directors are appointed.

Current members serving as Mayor, Municipal Council and other officers of the City and their respective terms in office are as follows:

<u>Office</u>	<u>Person</u>	<u>Years of Service</u>	<u>Expiration of Term</u>
Mayor	D. Blair Camp	4 ⁽¹⁾	December 31, 2021
Council Member	Dale Cox	4	December 31, 2021
Council Member	Rosalba Dominguez	2	December 31, 2023
Council Member	Brett A. Hales	10	December 31, 2023
Council Member	Kat Martinez	2	December 31, 2023
Council Member	Diane Turner	8	December 31, 2021
Chief Administrative Officer	Doug Hill	28 ⁽²⁾	Appointed
City Recorder	Brooke Smith	3 ⁽³⁾	Appointed
Finance & Administration Director	Brenda Moore	10 ⁽⁴⁾	Appointed
City Attorney	G.L. Critchfield	24 ⁽⁵⁾	Appointed
Treasurer	Wendell Coombs	10	Appointed
Council Executive Director	Jennifer Kennedy	15 ⁽⁶⁾	Appointed

- (1) Prior to his election as mayor, Mayor Camp was a firefighter and later Fire Chief for approximately 26 years with the City’s fire department.
- (2) Prior to being appointed as the Chief Administrative Office, Mr. Hill served as the Public Services Director.
- (3) Prior to becoming City Recorder, Ms. Smith worked for the City as Deputy Recorder for two years.
- (4) Prior to her current position, Ms. Moore served as the City Controller for eight years.
- (5) Prior to becoming City Attorney, Mr. Critchfield served as Deputy City Attorney.
- (6) Prior to becoming Council Executive Director, Ms. Kennedy served in the City Recorder’s office for 14 years.

Employee Workforce and Retirement System

As of June 30, 2021, the City employed 403 full-time employees and 234 part-time/seasonal employees for a total of 637 employees. The City is a member of the Utah State Retirement System and participates in a deferred compensation plan. The City directs attention to the details of such plan outlined in Note 17 of the comprehensive annual financial report of the City attached hereto as “APPENDIX A.” The City also participates and sponsors certain other post-employment programs for its employees. However, the City reports that none of these programs create

contingent liabilities or unfunded obligations of any material nature to the City. See “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF MURRAY CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020—Notes to the Financial Statements—Note 17. Employee Retirement Systems and Pension Plans.”

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City’s Retained Risk Reserve Fund (an internal service fund) accounts for and accumulates resources of uninsured loss. Under this program, the Retained Risk Reserve Fund (the “Fund”) provides coverage for up to a maximum of \$250,000 for each general liability claim. The City purchases commercial insurance for claims in excess of coverage provided by the Fund, and for all other risks of loss. The amount of settlements has not exceeded insurance coverage in any of the past three fiscal years.

Investment of Funds

Investment of Operating Funds: *The Utah Money Management Act.* The Utah Money Management Act, Title 51, Chapter 7, Utah Code (the “MM Act”) governs the investment of all public funds held by public treasurers in the State. It establishes criteria for investment of public funds with an emphasis on safety, liquidity, yield, matching strategy to fund objectives, and matching the term of investments to the availability of funds. The MM Act provides a limited list of approved investments, including qualified in-state and permitted out-of-state financial institutions, approved government agency securities and investments in corporate securities carrying “top credit ratings.” The MM Act also provides for pre-qualification of broker dealers requiring that broker dealers must agree in writing to comply with the MM Act and certify that they have read and understand the MM Act. The MM Act establishes the Money Management Council (the “MM Council”) to exercise oversight of public deposits and investments. The law requires all securities to be delivered via payment to the treasurer’s safekeeping bank. It requires diversification of investments, especially in securities of corporate issuers. The MM Act limits investments in a single issuer of commercial paper and corporate obligations to between 5% and 10% of an investment portfolio depending on the amount in such portfolio. Investments in mortgage pools and mortgage derivatives or any security making unscheduled periodic principal payments are prohibited. The MM Act also defines the State’s prudent investor rules. The MM Council is comprised of five members appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

The City is currently complying with all of the provisions of the MM Act for all City operating funds. A significant portion of the City’s funds are invested in the Utah Public Treasurers’ Investment Fund (“PTIF”), as discussed herein. The City also invests with Moreton Financial Advisors (“Moreton”) and at June 30, 2020, approximately 29% of the City’s investments were invested with Moreton. See “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF MURRAY CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020—Notes to the Financial Statements—Note 4. Cash, Cash Equivalents, and Investments.”

The Utah Public Treasurers’ Investment Fund. The PTIF is a public treasurers’ investment fund, established in 1981, and managed by the State Treasurer. The PTIF invests to ensure safety of principal, liquidity and a competitive rate of return on short-term investments. All moneys transferred to the PTIF are promptly invested in securities authorized by the MM Act. Safe-keeping and audit controls for all investments owned by the PTIF must comply with the MM Act.

All investments in the PTIF must comply with the MM Act and rules of the MM Council. The PTIF invests primarily in money market securities including time certificates of deposit, top rated commercial paper, treasuries and securities of certain agencies of the U.S. Government. The maximum weighted average adjusted life of the portfolio, by policy, is not to exceed 90 days. The maximum final maturity of any security purchased by the PTIF is limited to three years, except that a maximum maturity of five years is allowed for treasury or agency securities whose rate adjusts at least annually.

By law, investment transactions are conducted only through certified dealers, qualified depositories or directly with issuers of the securities. All securities purchased are delivered via payment to the custody of the State Treasurer or the State Treasurers’ safekeeping bank. Securities owned by the PTIF are segregated from securities

owned by the State. The State has no claim on assets owned by the PTIF except for any investment of State moneys in the PTIF. Deposits are not insured or otherwise guaranteed by the State.

Securities in the PTIF include certificates of deposit, commercial paper, short-term corporate notes, obligations of the U.S. Treasury and securities of certain agencies of the U.S. Government. These short-term securities must be rated “first tier” (“A1,” “P1,” for short-term investments and “A” or better for long-term investments) by two nationally recognized statistical rating organizations, one of which must be Moody’s or S&P. These securities represent limited risks to governmental institutions investing with the PTIF. Variable rate securities in the PTIF must have an index or rate formula that has a correlation of at least 94% of the effective Federal Funds rate. The PTIF itself is not rated.

Investment activity of the State Treasurer in the management of the PTIF is reviewed monthly by the MM Council and is audited by the State Auditor.

DEBT STRUCTURE OF THE CITY

Outstanding Municipal Indebtedness of the City (as of October 1, 2021)

SALES TAX BONDS⁽¹⁾

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Amount Outstanding</u>
2016	Land	6,735,000	11/15/2034	\$6,065,000
2018	Fire Station	5,540,000	11/15/2030	4,490,000
2021	Transportation	*	11/15/20__	*
Total				*

(1) See “INTRODUCTION–Outstanding Parity Bonds and Subordinate Pledge Obligation” for discussion of sales tax pledge obligation related to UTOPIA financing.

(2) Assumes the issuance of the Series 2021 Bonds.

* Preliminary; subject to change.

STORM WATER REVENUE BONDS

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Amount Outstanding</u>
2013	Improvements	\$3,000,000	2/1/2033	\$1,780,000
2016	Improvements	2,375,000	2/1/3033	<u>1,820,000</u>
Total				<u>\$3,600,000</u>

WATER AND SEWER REVENUE BONDS

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Amount Outstanding</u>
2012	Water and Sewer Improvements	\$5,070,000	10/1/2023	\$1,185,000
2012	Sewer Improvements	2,626,000	2/1/2033	1,609,000
2019	Water Improvements	8,054,000	9/1/2049	<u>8,054,000</u>
Total				<u>\$10,848,000</u>

Outstanding Local Building Authority Obligations

The City has previously created the Local Building Authority of Murray City (the “Building Authority”) to assist the City in financing projects. Pursuant to transactions with the Building Authority, the Building Authority will issue bonds and acquire projects with proceeds of the bonds. The Building Authority will then lease the projects to the City and the annually renewable lease payments paid by the City to the Building Authority are then used to make debt service payments on the bonds of the Building Authority. Although the bonds of the Building Authority are payable from the lease payments made by the City, such bonds are not obligations of the City and the City cannot be compelled to make lease payments other than those already appropriated for its then current fiscal year. The following table sets forth a summary of obligations issued by the Authority, the amount outstanding as of October 1, 2021, and the purpose for such obligations.

LEASE REVENUE BONDS

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Amount Outstanding</u>
2020	City Hall	\$31,310,000	12/1/2050	<u>\$31,310,000</u>

Other Financial Considerations

The City has entered into the UTOPIA Pledge Agreement for a subordinated pledge of the Pledged Sales and Use Taxes as described under “INTRODUCTION—Outstanding Parity Bonds; Subordinate Pledge Obligation” above.

The City also has a contingent liability (the “UIA Obligation”) in connection with its participation in the Utah Infrastructure Agency. The UIA Obligation is payable from franchise tax revenues received by the City. The maximum annual amount of the UIA Obligation is \$690,241.

Future Bond Issues

The City does not currently anticipate issuing an Additional Bonds or any other bonds in the next three years. However, the City reserves the right to issue bonds as its future capital needs require.

Response to COVID-19

In March 2020, the State issued a “Stay Safe, Stay Home” order and all but essential businesses were shut down. The order remained in effect until May 1, when some businesses could open, provided new safety guidelines were followed. Despite the shutdown in 2020, sales tax collection throughout the state of Utah were higher than the previous year. The City’s sales tax receipts finished the year 1% above the previous year. This, together with \$649,000 in Federal CARES grant funding, and careful spending, enabled the General Fund reserves to remain at the 25% of revenue allowed by State law.

The City’s fiscal year 2021 financial statements are in the process of being audited. Preliminary results suggest that the City will need to transfer approximately \$6 million dollars to its capital projects fund for its General Fund to stay below the state-imposed reserves limit of 25% of revenue. This was due in part to sales tax receipts being \$3 million (13.9%) above the previous year, the receipt of \$2.2 million from the Coronavirus Aid, Relief, and Economic Security (CARES) Act funding through Salt Lake County, and careful spending.

Over the next two fiscal years the City will receive \$5.8 million from the American Rescue Plan Act (ARPA). No decision has been made as to how the City will use these funds. They can be used to offset any current or future revenue losses due to the COVID-19 pandemic.

The City does not anticipate the continuing COVID-19 pandemic to hinder its ability to pay debt service on the Series 2021 Bonds or provide the services its citizens have come to expect.

FINANCIAL INFORMATION REGARDING THE CITY

Fund Structure; Accounting Basis

The accounting policies of the City conform to all generally accepted accounting principles for governmental units in general and the City in particular.

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund or account group are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, net assets, revenues and expenditures or expenses. The various funds are grouped by type in the combined financial statements. See “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF MURRAY CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020—Notes to the Financial Statements—Note 1—Summary of Significant Accounting Policies” herein.

Revenues and expenditures are recognized using the modified accrual basis of accounting in all governmental funds. Revenues are recognized in the accounting period in which they become both measurable and available. “Measurable” means that amounts can be reasonably determined within the current period. “Available” means that amounts are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues on cost-reimbursement grants are accrued when the related expenditures are incurred.

In proprietary funds, revenues and expenses are recognized using the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred.

Budget and Appropriation Process

The budget and appropriation process of the City is governed by the Uniform Fiscal Procedures Act for Utah Cities, Title 10, Chapter 6, Utah Code Annotated 1953, as amended (the “Fiscal Procedures Act”). Pursuant to the Fiscal Procedures Act, the budget officer of the City is required to prepare budgets for the general fund, special revenue funds, debt service funds and capital improvement funds. These budgets are to provide a complete financial plan for the budget (ensuing fiscal) year. Each budget is required to specify, in tabular form, estimates of anticipated revenues and appropriations for expenditures.

On or before the first regular meeting of the Municipal Council in May of each year, the budget officer is required to submit to the Municipal Council tentative budgets for all funds for the fiscal year commencing July 1. Various actual and estimated budget data are required to be set forth in the tentative budgets. The budget officer may revise the budget requests submitted by the heads of City departments, but must file these submissions with the Municipal Council together with the tentative budget. The budget officer is required to estimate in the tentative budget the revenue from non-property tax sources available for each fund and the revenue from general property taxes required by each fund. The budget is then tentatively adopted by the Municipal Council, with any amendments or revisions that the Municipal Council deems advisable prior to the public hearing on the budget. After public notice and hearing, the tentative budget is adopted by the Municipal Council, subject to further amendment or revisions by the Municipal Council prior to adoption of the final budget.

Prior to June 30 of each year, the final budgets for all funds are adopted by the Municipal Council. The Fiscal Procedures Act prohibits the Municipal Council from making any appropriation in the final budget of any fund in excess of the estimated expendable revenue of such fund. The adopted final budget is subject to amendment by the Municipal Council during the fiscal year. However, in order to increase the budget total of any fund, public notice and hearing must be provided. Intra- and inter-department transfers of appropriation balances are permitted upon compliance with the Fiscal Procedures Act.

The amount set forth in the final budget as the total amount of estimated revenue from property taxes constitutes the basis for determining the property tax levy to be set by the Municipal Council for the succeeding tax year.

Financial Controls

The City utilizes a computerized financial accounting system which includes a system of budgetary controls. State law requires budgets to be controlled by individual departments, but the City has also empowered the Director of Finance and Administration to maintain control by major categories within departments. These controls are such that a requisition will not be entered into the purchasing system unless the appropriated funds are available. The Director of Finance and Administration checks for sufficient funds prior to the purchase order being issued and again before the payment check is issued. Voucher payments are also controlled by the Director of Finance and Administration for sufficient appropriations.

Sources of General Fund Revenues

Set forth below are brief descriptions of the various sources of revenues available to the City's general fund. The percentage of total general fund revenues represented by each source is based on the City's fiscal year period ended June 30, 2020.

Taxes—Approximately 78% of the general fund revenues are from taxes (consisting of 61% from sales and use taxes, 27% from general property taxes, and 12% from franchise taxes).

Charges for Services—Approximately 7% of general fund revenues are from charges for services.

Intergovernmental Revenue—Approximately 7% of general fund revenues are from intergovernmental revenues.

Licenses and Permits —Approximately 5% of general fund revenues are from licenses and permits.

Fines and Forfeitures —Approximately 2% of the general fund revenues are from fines and forfeitures.

Investment Income—Less than 1% of the general fund revenues are from interest revenues.

Miscellaneous Revenue —Less than 1% of general fund revenues are from miscellaneous revenues.

Financial Records and Statements

The City presently maintains its financial records on a July 1 to June 30 fiscal year basis. See APPENDIX A to this Official Statement for a copy of the City's comprehensive annual financial report for the year ended June 30, 2020.

Five-Year Financial Summaries

The summaries contained herein were extracted from the City's audited basic financial statements fiscal years ended June 30, 2016 through June 30, 2020. The summaries have not been audited. See "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF MURRAY CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020" herein.

MURRAY CITY					
Statement of Net Position—Governmental Activities					
(This summary has not been audited.)					
	Fiscal Year Ended June 30,				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
ASSETS					
<i>Current assets</i>					
Cash & cash equivalents	\$22,810,406	\$18,274,716	\$19,375,135	\$17,482,778	\$20,270,562
Investments	11,557,283	11,147,944	7,377,410	7,072,251	6,136,619
Accounts receivable (net)	15,245,873	15,129,803	12,810,540	8,809,293	8,680,544
Due from					
other governments	5,136,111	4,339,941	4,423,961	4,885,950	3,895,807
Inventory	64,989	59,513	69,292	56,800	59,986
Prepaid items	34,751	676,939	70,484	154,334	196,471
<i>Noncurrent assets</i>					
Restricted cash	1,528,487	6,751,859	8,468,319	2,623,058	16,944
Investments in joint	—				
ventures		—	2,016,338	1,849,812	1,830,841
Pension asset	1,373,165	—	740,369	110,295	237,179
<i>Capital assets:</i>					
Land	26,222,008	25,505,908	22,781,597	21,039,780	14,998,469
Road land - right of ways	46,816,955	44,944,340	—	—	—
Construction in progress	11,885,573	5,743,358	2,630,992	4,661,229	2,358,177
Buildings	37,408,234	37,829,544	37,829,544	33,385,997	32,854,855
Infrastructure	96,034,331	91,990,344	88,383,650	86,152,583	82,965,198
Equipment	18,160,480	17,424,814	16,669,904	15,508,807	15,754,832
Accumulated depreciation					
& amortization	<u>(92,559,411)</u>	<u>(89,063,780)</u>	<u>(85,585,031)</u>	<u>(81,473,507)</u>	<u>(78,152,688)</u>
Total assets	<u>201,719,235</u>	<u>190,755,243</u>	<u>138,062,504</u>	<u>122,319,460</u>	<u>112,103,796</u>
DEFERRED OUTFLOWS					
Deferred pension costs	<u>4,122,726</u>	<u>8,230,669</u>	<u>7,426,040</u>	<u>7,066,514</u>	<u>5,656,841</u>

Continued on next page . . .

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
LIABILITIES					
<i>Current liabilities</i>					
Accounts payable	\$2,870,150	\$1,989,767	\$2,010,150	\$1,379,600	\$1,701,907
Accrued liabilities	1,777,817	1,541,067	1,330,235	1,449,561	1,403,362
Customer deposits	1,409,531	706,930	340,708	203,981	248,847
Compensated absences	3,389,585	2,545,538	2,249,406	2,149,373	2,305,273
Due to other governments	–	–	–	75,984	77,137
Interest payable	58,458	63,424	69,324	47,705	30,634
Bonds and leases payable	815,000	790,000	771,000	511,042	1,191,242
<i>Noncurrent liabilities</i>					
Compensated absences	286,217	977,309	946,823	919,616	822,248
Net OPEB payable ⁽¹⁾	–	–	–	136,277	211,799
Net pension payable	7,861,522	14,944,103	7,622,926	11,521,559	10,077,207
Bonds and leases payable	<u>11,545,496</u>	<u>12,495,695</u>	<u>13,464,530</u>	<u>8,455,529</u>	<u>4,762,977</u>
Total liabilities	<u>30,013,776</u>	<u>36,053,833</u>	<u>28,805,102</u>	<u>26,850,227</u>	<u>22,832,633</u>
DEFERRED INFLOWS					
Deferred inflows related to pensions	4,773,550	938,364	6,909,255	2,250,279	1,638,420
Deferred property taxes	<u>14,721,481</u>	<u>14,512,617</u>	<u>12,015,912</u>	<u>8,116,092</u>	<u>8,037,012</u>
Total deferred inflows of resources	<u>19,495,031</u>	<u>15,450,981</u>	<u>18,925,167</u>	<u>10,366,371</u>	<u>9,675,432</u>
NET POSITION					
Net investment in capital assets	131,607,674	121,878,833	68,475,126	70,308,318	64,824,624
Restricted					
Capital	2,020,062	8,437,812	7,963,290	4,718,743	3,502,430
Debt service	1,638	869	1,474	2,496	295
Library	–	–	722,403	540,475	432,088
Other purposes	119,341	57,000	172,106	354,352	95,603
Unrestricted	<u>22,584,439</u>	<u>17,106,584</u>	<u>20,423,876</u>	<u>16,244,992</u>	<u>16,397,532</u>
Total net position	<u>\$156,333,154</u>	<u>\$147,481,098</u>	<u>\$97,758,275</u>	<u>\$92,169,376</u>	<u>\$85,252,572</u>

⁽¹⁾ The benefit program for this line item has been terminated and less than ten employees remain eligible for these benefits.

(Source: Information extracted from the City's 2016-2020 audited basic financial statements. This summary itself is unaudited.)

MURRAY CITY
General Fund
Balance Sheet
(This summary has not been audited.)

	Fiscal Year Ended June 30,				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Assets:					
Cash and cash equivalents	\$3,765,980	\$3,648,805	\$5,159,524	\$3,562,165	\$4,279,537
Investments	5,300,066	5,112,347	2,995,693	2,994,289	2,917,611
Property taxes receivable	9,408,233	9,272,884	9,169,149	6,262,954	6,187,781
Other receivables, net	379,048	498,418	697,901	582,507	511,079
Due from other governments	5,100,261	4,339,941	4,422,511	4,249,023	3,871,286
Prepaid items	13,228	12,767	51,589	128,810	173,167
Restricted cash	<u>1,410,003</u>	<u>706,440</u>	<u>381</u>	<u>1,720</u>	<u>640</u>
Total assets	<u>\$25,376,819</u>	<u>\$23,591,602</u>	<u>\$22,496,748</u>	<u>\$17,781,468</u>	<u>\$17,941,101</u>
Liabilities:					
Accounts payable	1,178,374	784,756	1,243,151	616,017	665,448
Accrued liabilities	1,445,357	1,222,294	1,017,754	1,124,903	1,098,794
Due to other governments	—	—	—	75,984	77,137
Deposits	<u>1,408,531</u>	<u>705,930</u>	<u>339,708</u>	<u>202,981</u>	<u>247,847</u>
Total liabilities	<u>4,032,262</u>	<u>2,712,980</u>	<u>2,600,613</u>	<u>2,019,885</u>	<u>2,089,226</u>
Deferred Inflows of Resources:					
Deferred inflows - ambulance billing	154,226	237,148	463,152	321,898	213,231
Deferred inflows - property taxes	<u>9,298,286</u>	<u>9,188,763</u>	<u>9,096,000</u>	<u>6,173,908</u>	<u>6,081,431</u>
Total deferred inflows of resources	<u>9,452,512</u>	<u>9,425,911</u>	<u>9,559,152</u>	<u>6,495,806</u>	<u>6,294,662</u>
Fund Balance:					
Nonspendable	13,228	12,767	51,589	128,810	173,167
Restricted	120,813	57,510	120,999	339,897	104,165
Unassigned	<u>11,758,004</u>	<u>11,382,434</u>	<u>10,164,485</u>	<u>8,797,070</u>	<u>9,279,881</u>
Total fund balance	<u>11,892,045</u>	<u>11,452,711</u>	<u>10,336,983</u>	<u>9,265,777</u>	<u>9,557,213</u>
Total liabilities, deferred inflows, & fund balance	<u>\$25,376,819</u>	<u>\$23,591,602</u>	<u>\$22,496,748</u>	<u>\$17,781,468</u>	<u>\$17,941,101</u>

(Source: Information extracted from the City's 2016-2020 audited basic financial statements. This summary itself is unaudited.)

MURRAY CITY
General Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance
(This summary has not been audited.)

	Fiscal Year Ended June 30,				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
REVENUES					
Sales tax	\$22,326,561	\$20,769,082	\$20,320,116	\$19,433,656	\$17,596,193
Property taxes	9,844,622	10,179,734	6,836,547	6,792,773	6,653,313
Franchise taxes	4,301,199	4,458,730	4,630,311	4,666,627	4,793,748
Licenses & permits	2,170,743	1,829,569	1,776,481	2,087,591	1,989,143
Intergovernmental	3,086,270	2,726,012	2,496,480	2,294,644	2,134,606
Charges for services	3,285,686	3,783,170	3,727,167	3,463,994	3,095,240
Fines & forfeitures	1,021,418	1,253,562	1,208,321	1,306,571	1,570,238
Emergency 911 fees ⁽¹⁾	—	—	—	475,143	465,539
Miscellaneous	445,759	259,619	246,461	346,451	277,580
Interest	<u>356,533</u>	<u>391,360</u>	<u>158,978</u>	<u>128,542</u>	<u>90,571</u>
Total revenues	<u>46,838,791</u>	<u>45,650,838</u>	<u>41,400,862</u>	<u>40,995,992</u>	<u>38,666,171</u>
EXPENDITURES					
General government	7,042,731	6,817,712	6,423,809	6,693,090	6,448,595
Public safety	21,783,816	21,757,068	18,821,322	19,021,824	18,264,136
Highways & public improvements	4,419,622	4,385,428	4,499,399	3,416,835	4,225,290
Parks & recreation, & culture	6,005,255	6,089,329	5,769,225	5,859,041	5,954,485
Debt service:					
Principal	485,000	470,000	214,042	3,713,242	1,032,781
Interest & fiscal charges	212,846	227,946	155,924	137,500	259,037
Pledge payment - UTOPIA	<u>1,818,993</u>	<u>1,783,326</u>	<u>1,748,359</u>	<u>1,714,078</u>	<u>1,680,468</u>
Total expenditures	<u>41,768,263</u>	<u>41,530,809</u>	<u>37,632,080</u>	<u>40,555,610</u>	<u>37,864,792</u>
Excess of revenues over expenditures	<u>5,070,528</u>	<u>4,120,029</u>	<u>3,768,782</u>	<u>440,382</u>	<u>801,379</u>
OTHER FINANCING SOURCES					
(USES)					
Issuance of debt	—	—	5,898,578	—	—
Operating transfers in	4,246,260	4,094,732	4,242,846	3,952,182	4,307,171
Operating transfers out	<u>(8,877,454)</u>	<u>(7,099,033)</u>	<u>(12,839,000)</u>	<u>(4,684,000)</u>	<u>(4,582,234)</u>
Total other financing sources (uses)	<u>(4,631,194)</u>	<u>(3,004,301)</u>	<u>(2,697,576)</u>	<u>(731,818)</u>	<u>(275,063)</u>
Net change in fund balance	439,334	1,115,728	1,071,206	(291,436)	526,316
Fund balance at beginning of year	<u>11,452,711</u>	<u>10,336,983</u>	<u>9,265,777</u>	<u>9,557,213</u>	<u>9,030,897</u>
Fund balance at end of year	<u>\$11,892,045</u>	<u>\$11,452,711</u>	<u>\$10,336,983</u>	<u>\$9,265,777</u>	<u>\$9,557,213</u>

⁽¹⁾ From fiscal year 2014 through fiscal year 2017, due to a Utah State Auditor directive E911 fees passed to 911 call centers were recorded as revenue and expenditures. The expenditure is part of Public Safety.
(Source: Information extracted from the City's 2016-2020 audited basic financial statements. This summary itself is unaudited.)

No Defaulted Obligations

The City has never failed to pay principal and interest when due on its outstanding obligations.

Additional Information

For additional information with respect to the City and its finances see “DEBT STRUCTURE OF THE CITY,” “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF MURRAY CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020,” and “APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY.”

RISK FACTORS

The purchase of the Series 2021 Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Series 2021 Bonds should make an independent evaluation of all of the information presented in this Official Statement in order to make an informed investment decision. Certain of these risks are described below; however, it is not intended to be a complete representation of all the possible risks involved.

Uncertainty of Sales Tax Revenues

The amount of Pledged Sales and Use Taxes to be collected by the City is dependent on a number of factors beyond the control of either the City or the State of Utah, including, but not limited to, the state of the U.S. economy and the economy of the State of Utah. Any one or more of these factors could result in the City receiving less Pledged Sales and Use Taxes than anticipated. In addition, Pledged Sales and Use Taxes are dependent on the volume of the transactions subject to the tax. From time to time, proposals have been made by the Utah State Legislature to remove certain types of purchases from the sales tax. Also, Pledged Sales and Use Taxes are contingent on the ability to identify, enforce and collect taxes on purchases made through the Internet and other non-traditional means. Beginning in 2019, the State has attempted to capture some of these potential sales tax revenues through the passage of legislation requiring certain online retailers to pay sales and use taxes for sales originating in the State. The City cannot predict what impact these items may have on the Pledged Sales and Use Taxes it receives.

Series 2021 Bonds are Limited Obligations

The Series 2021 Bonds are special limited obligations of the City, payable solely from the Revenues, moneys, securities and funds pledged therefor in the Indenture. The Revenues consist of the Pledged Sales and Use Taxes. No assurance can be given that the Pledged Sales and Use Taxes will remain sufficient for the payment of the principal or interest on the Series 2021 Bonds and the City is limited by Utah law in its ability to increase the rate of such taxes. The Series 2021 Bonds do not constitute a general obligation indebtedness or a pledge of the ad valorem taxing power or the full faith and credit of the City, and are not obligations of the State of Utah or any other agency or other political subdivision or entity of the State of Utah. The City will not mortgage or grant any security interest in the improvements financed with the proceeds of the Series 2021 Bonds or any portion thereof to secure payment of the Series 2021 Bonds.

Limitation on Increasing Rates for Pledged Taxes

The City currently levies the maximum rate allowed under Utah law for the Pledged Sales and Use Taxes. No assurance can be given that the Pledged Sales and Use Taxes will remain sufficient for the payment of the principal or interest on the Series 2021 Bonds and the City is limited by Utah law in its ability to increase the rate of such taxes.

Potential Impact of the Coronavirus

The spread of the strain of coronavirus commonly known as COVID-19 has caused significant volatility in financial markets and has had negative effects on global, state and local economies. The continued spread of the coronavirus in the United States could have a material adverse effect on the City’s operations and its financial

condition; however, the City cannot predict what those effects will be. See “DEBT STRUCTURE OF THE CITY—Response to COVID-19” herein.

LEGAL MATTERS

General

The authorization and issuance of the Series 2021 Bonds is subject to the approval of legality by Gilmore & Bell, P.C., Bond Counsel to the City. Certain legal matters will be passed upon for the City by G.L. Critchfield, Esq., City Attorney. The approving opinion of Bond Counsel will be delivered with the Series 2021 Bonds. A copy of the form of the opinion of Bond Counsel is set forth in APPENDIX E of this Official Statement.

Litigation

A non-litigation certificate issued by the City Attorney, dated the date of closing, will be provided stating, among other things, that to the best of his knowledge, after due inquiry, no action, suit, proceeding, inquiry, or any other litigation or investigation at law or in equity, before or by any court, public board or body, has been served on the City or is threatened, challenging the creation, organization, or existence of the City or the titles of its officers to their respective offices or seeking to restrain or enjoin the issuance, sale, or delivery of the Series 2021 Bonds or for the purpose of restraining or enjoining the levy and collection of taxes by the City, or directly or indirectly contesting or affecting the proceedings or the authority by which the Series 2021 Bonds are issued or the validity of the Series 2021 Bonds or the issuance thereof.

TAX MATTERS

The following is a summary of the material federal and State of Utah income tax consequences of holding and disposing of the Series 2021 Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Series 2021 Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Utah, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Series 2021 Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Series 2021 Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under the law currently existing as of the issue date of the Series 2021 Bonds:

Federal Tax Exemption. The interest on the Series 2021 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. Interest on the Series 2021 Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bond Counsel’s opinions are provided as of the date of the original issue of the Series 2021 Bonds, subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended (the “Code”) that must be satisfied subsequent to the issuance of the Series 2021 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2021 Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2021 Bonds.

State of Utah Tax Exemption. The interest on the Series 2021 Bonds is exempt from State of Utah individual income taxes.

Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2021 Bonds but has reviewed the discussion under the heading “TAX MATTERS.”

Other Tax Consequences

[Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Series 2021 Bond over its issue price. The stated redemption price at maturity of a Series 2021 Bond is the sum of all payments on the Series 2021 Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2021 Bond is generally the first price at which a substantial amount of the Series 2021 Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Series 2021 Bond during any accrual period generally equals (1) the issue price of that Series 2021 Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Series 2021 Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Series 2021 Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner’s tax basis in that Series 2021 Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.]

[Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Series 2021 Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Series 2021 Bond is the sum of all payments on the Series 2021 Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2021 Bond is generally the first price at which a substantial amount of the Series 2021 Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Series 2021 Bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Series 2021 Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Series 2021 Bond prior to its maturity. Even though the owner’s basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.]

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Series 2021 Bond, an owner of the Series 2021 Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Series 2021 Bond (other than in respect of accrued and unpaid interest) and such owner’s adjusted tax basis in the Series 2021 Bond. To the extent a Series 2021 Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2021 Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Series 2021 Bonds, and to the proceeds paid on the sale of the Series 2021 Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner’s federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2021 Bonds should be aware that ownership of the Series 2021 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with “excess net passive income,”

foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2021 Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2021 Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2021 Bonds, including the possible application of state, local, foreign and other tax laws.

MUNICIPAL ADVISOR

The City has entered into an agreement with Stifel, Nicolaus & Company, Incorporated, Salt Lake City, Utah (the “Municipal Advisor”), whereunder the Municipal Advisor provides financial recommendations and guidance to the City with respect to timing of sale, market conditions, costs of issuance and other factors relating to the sale of the Series 2021 Bonds. The Municipal Advisor has read and participated in the drafting of this Official Statement. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the City, with respect to accuracy and completeness of disclosure of such information, and no guaranty, warranty or other representation is made by the Municipal Advisor respecting accuracy and completeness of the Official Statement or any other matters related to the Official Statement. Municipal Advisor fees are contingent upon the sale and delivery of the Series 2021 Bonds.

UNDERWRITING

[Underwriter], as underwriter of the Series 2021 Bonds (the “Underwriter”), has agreed, subject to certain conditions, to purchase all of the Series 2021 Bonds from the City at an aggregate price of \$_____ (representing the aggregate principal amount of the Series 2021 Bonds, plus a [net] reoffering premium of \$_____ and less an Underwriter’s discount of \$_____). The Underwriter has advised the City that the Series 2021 Bonds may be offered and sold to certain dealers at prices lower than the initial public offering prices set forth on the cover of this Official Statement and that such public offering prices may be changed from time to time.

Although the Underwriter expects to maintain a secondary market in the Series 2021 Bonds after the initial offering, no guarantee can be given concerning the future existence of such a secondary market or its maintenance by the Underwriter or others.

BOND RATING

S&P Global Ratings (“S&P”) has assigned a rating of “___” to the Series 2021 Bonds. Any explanation of the significance of this rating should be obtained from the rating agency furnishing the same. There is no assurance that the ratings given to outstanding obligations will be maintained for any period of time or that the ratings may not be lowered or withdrawn entirely by the rating agencies if, in their judgment, circumstances so warrant. Any such downward change or withdrawal of such ratings may have an adverse effect on the market price of the Series 2021 Bonds.

CONTINUING DISCLOSURE

The City has undertaken for the benefit of the Bondholders and the beneficial owners of the Series 2021 Bonds to provide certain annual financial information and operating data to the Municipal Securities Rulemaking Board (“MSRB”) and the City has undertaken for the benefit of the Bondholders and beneficial owners of the Series 2021 Bonds to provide notice of certain material events to the MSRB all in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission. See APPENDIX D attached hereto and incorporated herein by reference for a form of the Continuing Disclosure Undertaking that will be executed and delivered by the City.

[The City reports that in the last five years it did not properly file its fiscal year 2016 financial statements and operating data as required under its disclosure undertakings related to its outstanding sales tax revenue bonds and storm water revenue bonds. The City notes that such information was available in official statements relating to the 2016 issues of the City’s sales tax revenue bonds and storm water revenue bonds that were timely filed on EMMA,

but specific reference to these documents was not filed. The City consequently filed its fiscal year 2016 financial statements and operating data along with a notice regarding the failure to timely file. Additionally, the City recently determined that, while timely filed, its fiscal year 2018 financial statements and operating data relating to its 2009 sales tax bonds, were not linked to the correct CUSIPs resulting in a late filing. A notice of the deficient filing and corrective filings have been made.] *[For review.]*

A failure by the City to comply with the Continuing Disclosure Undertaking will not constitute a default under the Indenture and beneficial owners of the Series 2021 Bonds are limited to the remedies described in the Continuing Disclosure Undertaking. See “APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING—Default.” A failure by the City to comply with the Continuing Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2021 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2021 Bonds and their market price.

MISCELLANEOUS

Independent Accountants

The basic financial statements of the City as of June 30, 2020, and for the year then ended, contained in APPENDIX A to this Official Statement, have been audited by HBME, LLC (“HBME”), independent accountants, as set forth in their report included in APPENDIX A to this Official Statement. HBME has not been asked to consent to the use of its name and audited financial report of the City for fiscal year ended June 30, 2020 in this Official Statement.

Copies of the City’s comprehensive annual financial report may be obtained upon request from the City’s Finance Division, 5025 South State Street, Murray, Utah 84107.

Additional Information

All quotations from and summaries and explanations of the Utah Constitution, statutes, programs, laws of the State of Utah, court decisions, and the Indenture, which are contained herein, do not purport to be complete, and reference is made to said Constitution, statutes, programs, laws, court decisions, and the Indenture for full and complete statements of their respective provisions.

Any statement in this Official Statement involving matters of opinion, whether or not expressly so stated, is intended as such and not as representations of fact.

This Preliminary Official Statement is in a form “deemed final” by the City for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

The appendices attached hereto are an integral part of this Official Statement, and should be read in conjunction with the foregoing material.

The delivery of the Official Statement has been duly authorized by the City.

MURRAY CITY, UTAH

APPENDIX A

COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF MURRAY CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2020

APPENDIX B

EXTRACTS OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE OF TRUST

The following extracts briefly outline certain provisions contained in the Indenture and are not to be considered as a full statement thereof. Reference is made to the Indenture for full details of all of the terms thereof, of the Series 2021 Bonds, the security provisions appertaining thereto, and the application of the Revenues, and the definition of any terms used but not defined in this Official Statement.

Definitions

“Accreted Amount” means, with respect to Capital Appreciation Bonds of any Series and as of the date of calculation, the amount established pursuant to the Supplemental Indenture authorizing such Capital Appreciation Bonds as the amount representing the initial public offering price, plus the accumulated and compounded interest on such Bonds.

“Act” means collectively, the Utah Municipal Bond Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended and, if applicable, the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended.

“Additional Bonds” means all Bonds issued under the Indenture other than the Initial Bonds.

“Administrative Costs” means all Security Instrument Costs, Reserve Instrument Costs and Rebutable Arbitrage required to be paid to the United States.

“Aggregate Annual Debt Service Requirement” means the sum of (i) the total Debt Service for any one Bond Fund Year on all Series of Bonds Outstanding or any specified portion thereof and (ii) any Repayment Obligations.

“Authorized Amount” means, with respect to a Commercial Paper Program, the maximum Principal amount of commercial paper which is then authorized by the Issuer to be outstanding at any one time pursuant to such Commercial Paper Program.

“Authorized Representatives” means the Mayor, Treasurer, Finance Director, or any other officer of the Issuer so designated in writing by the Issuer to the Trustee.

“Average Aggregate Annual Debt Service Requirement” means the total of all Aggregate Annual Debt Service Requirements divided by the total Bond Fund Years of the Bonds Outstanding or any specified portion thereof.

“Bond Fund” means Murray City, Utah Sales Tax Revenue Bond Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

“Bond Fund Year” means the 12-month period beginning July 1 of each year and ending on the next succeeding June 30, except that the first Bond Fund Year shall begin on the date of delivery of the Initial Bonds and shall end on the next succeeding June 30.

“Bondholder,” “Bondowner,” “Registered Owner” or “Owner” means the registered owner of any Bonds authorized in the Indenture.

“Bonds” means bonds, notes, commercial paper or other obligations (other than Repayment Obligations) authorized by and at any time Outstanding pursuant to the Indenture, including the Initial Bonds and any Additional Bonds.

“Business Day” means (i) any day on which banking business is transacted, but not including any day on which banks are authorized to be closed, in New York City or in the city in which the Trustee has its principal corporate

trust office or, with respect to a related Series of Bonds, in the city in which any Security Instrument Issuer has its principal office for purposes of such Security Instrument, or (ii) as otherwise provided in a Supplemental Indenture.

“Capital Appreciation Bonds” means Bonds the interest on which (i) is compounded and accumulated at the rates and on the dates set forth in the Supplemental Indenture authorizing the issuance of such Bonds and designating them as Capital Appreciation Bonds, and (ii) is payable upon maturity or redemption of such Bonds.

“City Recorder” means the City Recorder of the Issuer or any successor to the duties of such office and any deputy to the City Recorder.

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

“Commercial Paper Program” means commercial paper obligations with maturities of not more than two hundred seventy (270) days from the dates of issuance thereof which are issued and reissued by the Issuer from time to time pursuant to the Indenture and are outstanding up to an Authorized Amount.

“Construction Fund” means Murray City, Utah Sales Tax Revenue Construction Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

“Cost” or “Costs” or “Cost of Completion,” or any phrase of similar import, in connection with a Project or with the refunding of any bonds, means all costs and expenses which are properly chargeable thereto under generally accepted accounting principles or which are incidental to the financing, acquisition and construction of a Project, or the refunding of any bonds, including, without limiting the generality of the foregoing:

- (a) amounts payable to contractors and costs incident to the award of contracts;
- (b) cost of labor, facilities and services furnished by the Issuer and its employees or others, materials and supplies purchased by the Issuer or others and permits and licenses obtained by the Issuer or others;
- (c) engineering, architectural, legal, planning, underwriting, accounting and other professional and advisory fees;
- (d) premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;
- (e) interest expenses, including interest on the Series of Bonds relating to a Project;
- (f) printing, engraving and other expenses of financing, including premiums for municipal bond insurance, fees of financial rating services and fees for issuance of bank letters of credit or similar banking arrangements and costs of issuing the Series of Bonds (including costs of interest rate caps and costs related to interest rate exchanges (or the elimination thereof));
- (g) costs, fees and expenses in connection with the acquisition of real and personal property or rights therein, including premiums for title insurance;
- (h) costs of furniture, fixtures, and equipment purchased by the Issuer and necessary to construct a Project;
- (i) amounts required to repay temporary or bond anticipation loans or notes made to finance the costs of a Project;
- (j) cost of site improvements performed by the Issuer in anticipation of a Project;
- (k) moneys necessary to fund the Funds created under the Indenture;

(l) costs of the capitalization with proceeds of a Series of Bonds issued under the Indenture and of any interest on a Series of Bonds for any period not exceeding the period estimated by the Issuer to effect the construction of a Project plus one year, as provided in the Indenture, of any discount on bonds or other securities, and of any reserves for the payment of the principal of and interest on a Series of Bonds, of any replacement expenses and of any other cost of issuance of a Series of Bonds or other securities, Security Instrument Costs and Reserve Instrument Costs;

(m) costs of amending any indenture or other instrument authorizing the issuance of or otherwise appertaining to a Series of Bonds;

(n) all other expenses necessary or desirable and appertaining to a Project, as estimated or otherwise ascertained by the Issuer, including costs of contingencies for a Project; and

(o) payment to the Issuer of such amounts, if any, as shall be necessary to reimburse the Issuer in full for advances and payments theretofore made or costs theretofore incurred by the Issuer for any item of Costs.

In the case of refunding or redeeming any bonds or other obligations, “Cost” includes, without limiting the generality of the foregoing, the items listed in (c), (e), (f), (i), (k), (l), (m) and (o) above, advertising and other expenses related to the redemption of such bonds to be redeemed and the redemption price of such bonds (and the accrued interest payable on redemption to the extent not otherwise provided for).

“Cross-over Date” means with respect to Cross-over Refunding Bonds the date on which the Principal portion of the related Cross-over Refunded Bonds is to be paid or redeemed from the proceeds of such Cross-over Refunding Bonds.

“Cross-over Refunded Bonds” means Bonds or other obligations refunded by Cross-over Refunding Bonds.

“Cross-over Refunding Bonds” means Bonds issued for the purpose of refunding Bonds or other obligations if the proceeds of such Cross-over Refunding Bonds are irrevocably deposited in escrow in satisfaction of the requirements of Section 11-27-3, Utah Code, to secure the payment on an applicable redemption date or maturity date of the Cross-over Refunded Bonds (subject to possible use to pay Principal of the Cross-over Refunding Bonds under certain circumstances) and the earnings on such escrow deposit are required to be applied to pay interest on the Cross-over Refunding Bonds until the Cross-over Date.

“Current Interest Bonds” means Bonds not constituting Capital Appreciation Bonds. Interest on Current Interest Bonds shall be payable periodically on the Interest Payment Dates provided therefor in a Supplemental Indenture.

“Debt Service” means, for any particular Bond Fund Year and for any Series of Bonds and any Repayment Obligations, an amount equal to the sum of (i) all interest payable during such Bond Fund Year on such Series of Bonds plus (ii) the Principal Installments payable during such Bond Fund Year on (a) such Bonds Outstanding, calculated on the assumption that Bonds Outstanding on the day of calculation cease to be Outstanding by reason of, but only by reason of, payment either upon maturity or application of any Sinking Fund Installments required by the Indenture, and (b) such Repayment Obligations then outstanding;

provided, however, for purposes of the provisions of the Indenture governing the issuance of Additional Bonds,

(1) when calculating interest payable during such Bond Fund Year for any Series of Variable Rate Bonds or Repayment Obligations bearing interest at a variable rate which cannot be ascertained for any particular Bond Fund Year, it shall be assumed that such Series of Variable Rate Bonds or related Repayment Obligations will bear interest at such market rate of interest applicable to such Series of Variable Rate Bonds or related Repayment Obligations as shall be established for this purpose in the opinion of the Issuer’s financial advisor, underwriter or

similar agent (which market rate of interest may be based upon a recognized comparable market index, an average of interest rates for prior years or otherwise);

(2) when calculating interest payable during such Bond Fund Year for any Series of Variable Rate Bonds which are issued with a floating rate and with respect to which an Interest Rate Swap is in effect in which the Issuer has agreed to pay a fixed interest rate, such Series of Variable Rate Bonds shall be deemed to bear interest at the effective fixed annual rate thereon as a result of such Interest Rate Swap; provided that such effective fixed annual rate may be utilized only if such Interest Rate Swap does not result in a reduction or withdrawal of any rating then in effect with respect to the Bonds and so long as such Interest Rate Swap is contracted to remain in full force and effect;

(3) when calculating interest payable during such Bond Fund Year for any Series of Bonds which are issued with a fixed interest rate and with respect to which an Interest Rate Swap is in effect in which the Issuer has agreed to pay a floating amount, Debt Service shall include the interest payable on such Series of Bonds, less fixed amounts to be received by the Issuer under such Interest Rate Swap plus the amount of the floating payments (using the maximum rate in a manner similar to that described in (1) above, in the opinion of the Issuer's financial advisor, underwriter or similar agent, for such floating payments) to be made by the Issuer under the Interest Rate Swap; provided that the above described calculation of Debt Service may be utilized only if each Rating Agency has reviewed and approved such Interest Rate Swap and so long as such Interest Rate Swap is contracted to remain in full force and effect;

(4) when calculating interest payable during such Bond Fund Year with respect to any Commercial Paper Program, "Debt Service" shall mean an amount equal to the sum of all principal and interest payments that would be payable during such Bond Fund Year assuming that the Authorized Amount of such Commercial Paper Program is amortized on a level debt service basis over a period of 30 years beginning on the date of calculation or, if later, the last day of the period during which obligations can be issued under such Commercial Paper Program, and bearing interest at such market rate of interest applicable to such Commercial Paper Program as shall be established for this purpose in the opinion of the Issuer's financial advisor, underwriter or similar agent (which market rate of interest may be based upon a recognized comparable market index, an average of interest rates for prior years or otherwise); and

(5) when calculating interest payable on Bonds that are Paired Obligations, the interest rate on such Bonds shall be the resulting linked rate or effective fixed interest rate to be paid by the Issuer with respect to such Paired Obligations;

and further provided, however, that there shall be excluded from Debt Service (x) interest on Bonds (including Cross-over Refunding Bonds or Cross-over Refunded Bonds) to the extent that Escrowed Interest or capitalized interest is available to pay such interest, (y) Principal on Cross-over Refunded Bonds to the extent that the proceeds of Cross-over Refunding Bonds are on deposit in an irrevocable escrow in satisfaction of the requirements of Section 11-27-3, Utah Code, as amended, and such proceeds or the earnings thereon are required to be applied to pay such Principal (subject to the possible use to pay the Principal of the Cross-over Refunding Bonds under certain circumstances) and such amounts so required to be applied are sufficient to pay such Principal, and (z) Repayment Obligations to the extent that payments on Pledged Bonds relating to such Repayment Obligations satisfy the Issuer's obligation to pay such Repayment Obligations.

"Debt Service Reserve Fund" means Murray City, Utah Sales Tax Revenue Debt Service Reserve Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

"Debt Service Reserve Requirement," for a Series of Bonds, means the amount, if any, set forth in the Supplemental Indenture authorizing such Series of Bonds. The Debt Service Reserve Requirement applicable to any Series of Bonds may be funded by a Reserve Instrument as provided in the Indenture and, if provided in the related Supplemental Indenture, may be accumulated over time.

"Escrowed Interest" means amounts irrevocably deposited in escrow in accordance with the requirements of Section 11-27-3, Utah Code, in connection with the issuance of Refunding Bonds or Cross-over Refunding Bonds secured by such amounts or earnings on such amounts which are required to be applied to pay interest on such Cross-over Refunding Bonds or the related Cross-over Refunded Bonds.

“Event of Default” means with respect to any default or event of default under the Indenture any occurrence or event specified in and defined by the Indenture.

“Governing Body” means the City Council of the Issuer.

“Government Obligations” means solely one or more of the following:

- (a) State and Local Government Series issued by the United States Treasury (“SLGS”);
- (b) United States Treasury bills, notes and bonds, as traded on the open market;
- (c) Zero Coupon United States Treasury Bonds; and
- (d) Any other direct obligations of or obligations fully and unconditionally guaranteed by, the United States of America (including, without limitation, obligations commonly referred to as “REFCORP strips”).

“Indenture” means the General Indenture of Trust as from time to time amended or supplemented by Supplemental Indentures in accordance with the terms of the Indenture.

“Initial Bonds” means the first Series of Bonds issued under the Indenture.

“Interest Payment Date” means the stated payment date of an installment of interest on the Bonds.

“Interest Rate Swap” means an agreement between the Issuer or the Trustee and a Swap Counterparty related to Bonds of one or more Series whereby a variable rate cash flow (which may be subject to any interest rate cap) on a principal or notional amount is exchanged for a fixed rate of return on an equal principal or notional amount. If the Issuer or the Trustee enters into more than one Interest Rate Swap with respect to a Series of Bonds, each Interest Rate Swap shall specify the same payment dates.

“Issuer” means Murray City, Utah and its successors.

“Mayor” means the duly elected mayor of the Issuer or any successor to the duties of such office. Such term shall also include the Deputy Mayor except as the Deputy Mayor’s powers may be limited by written declaration of the duly elected Mayor.

“Moody’s” means Moody’s Investors Service, Inc.

“Outstanding” or “Bonds Outstanding” means at any date all Bonds which have not been canceled which have been or are being authenticated and delivered by the Trustee under the Indenture, except:

- (a) Any Bond or portion thereof which at the time has been paid or deemed paid pursuant to the Indenture; and
- (b) Any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered under the Indenture, unless proof satisfactory to the Trustee is presented that such Bond is held by a bona fide holder in due course.

“Owner(s)” or “Registered Owner(s)” means the registered owner(s) of the Bonds according to the registration books of the Issuer maintained by the Trustee as Registrar for the Bonds pursuant to the Indenture.

“Paired Obligations” means any Series (or portion thereof) of Bonds designated as Paired Obligations in the Supplemental Indenture authorizing the issuance or incurrence thereof, which are simultaneously issued or incurred (i) the principal of which is of equal amount maturing and to be redeemed (or cancelled after acquisition thereof) on

the same dates and in the same amounts, and (ii) the interest rates which, taken together, result in an irrevocably fixed interest rate obligation of the Issuer for the terms of such Bonds.

“Paying Agent” means the Trustee, appointed as the initial paying agent for the Bonds pursuant to the Indenture, and any additional or successor paying agent appointed pursuant to the Indenture.

“Pledged Bonds” means any Bonds that have been (i) pledged or in which any interest has otherwise been granted to a Security Instrument Issuer as collateral security for Security Instrument Repayment Obligations or (ii) purchased and held by a Security Instrument Issuer pursuant to a Security Instrument.

“Principal” means (i) with respect to any Capital Appreciation Bond, the Accreted Amount thereof (the difference between the stated amount to be paid at maturity and the Accreted Amount being deemed unearned interest), except as used in connection with the authorization and issuance of Bonds and with the order of priority of payment of Bonds after an Event of Default, in which case “Principal” means the initial public offering price of a Capital Appreciation Bond (the difference between the Accreted Amount and the initial public offering price being deemed interest), and (ii) with respect to any Current Interest Bond, the principal amount of such Bond payable at maturity.

“Principal Corporate Trust Office” means, with respect to the Trustee, the office of the Trustee at 10 East South Temple, 12th Floor, Salt Lake City, Utah 84111, or such other or additional offices as may be specified by the Trustee.

“Principal Installment” means, as of any date of calculation, (i) with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding, (a) the Principal amount of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have been established, or (b) the unsatisfied balance of any Sinking Fund Installment due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a Principal amount equal to such unsatisfied balance of such Sinking Fund Installment and (ii) with respect to any Repayment Obligations, the principal amount of such Repayment Obligations due on a certain future date.

“Project” means the acquisition, construction, and/or improvement of capital facilities, equipment and/or improvements financed or refinanced with a Series of Bonds.

“Put Bond” means any Bond which is part of a Series of Bonds which is subject to purchase by the Issuer, its agent or a third party from the Owner of the Bond pursuant to provisions of the Supplemental Indenture authorizing the issuance of the Bond and designating it as a “Put Bond.”

“Qualified Investments” means any of the following securities:

- (a) Government Obligations;
- (b) Obligations of any of the following federal agencies which obligations represent full faith and credit obligations of the United States of America: the Export-Import Bank of the United States; the Government National Mortgage Association; the Federal Financing Bank; the Farmer’s Home Administration; the Federal Housing Administration; the Maritime Administration; General Services Administration, Small Business Administration; or the Department of Housing and Urban Development (PHA’s);
- (c) Money market funds rated “AAAm” or “AAAm-G” or better by S & P and/or the equivalent rating or better of Moody’s (if so rated);
- (d) Commercial paper which is rated at the time of purchase in the single highest classification, “P-1” by Moody’s or “A-1+” by S & P, and which matures not more than 270 days after the date of purchase;

(e) Bonds, notes or other evidences or indebtedness rated “AAA” by S & P and “Aaa” by Moody’s, issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with remaining maturities not exceeding three years;

(f) U.S. dollar denominated deposit accounts, federal funds and banker’s acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of “A-1” or “A 1+” by S & P and “P-1” by Moody’s, and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);

(g) The fund held by the Treasurer for the State of Utah and commonly known as the Utah State Public Treasurer’s Investment Fund; and

(h) Any other investments or securities permitted for investment of public funds under the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code Annotated 1953, as amended, including investments contracts permitted by Section 51-7-17(2)(d) thereof.

“Rating Agency” means Moody’s or S & P and their successors and assigns, but only to the extent such rating agency is then providing a rating on a Series of Bonds issued under the Indenture at the request of the Issuer. If either such corporation ceases to act as a securities rating agency, the Issuer may designate any nationally recognized securities rating agency as a replacement.

“Rating Category” or “Rating Categories” mean one or more of the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category or categories by a numerical modifier or otherwise.

“Rebatable Arbitrage” means with respect to any Series of Bonds the amount (determinable as of each Rebate Calculation Date) of rebatable arbitrage payable to the United States at the times and in the amounts specified in Section 148(f)(3) of the Code and Section 1.148-3 of the Regulations.

“Rebate Calculation Date” means, with respect to each Series of Bonds, the Interest Payment Date next preceding the fifth anniversary of the issue date of such Series of Bonds, each fifth anniversary of the Initial Rebate Calculation Date for such Series of Bonds, and the date of retirement of the last bond for such Series.

“Rebate Fund” means Murray City, Utah Sales Tax Revenue Rebate Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

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

“Registrar” means the Trustee (or other party designated as Registrar by Supplemental Indenture), appointed as the initial registrar for the Bonds pursuant to the Indenture, and any additional or successor registrar appointed pursuant to the Indenture.

“Regular Record Date” means, with respect to any Interest Payment Date for any Series of Bonds, the date specified as the Regular Record Date in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

“Regulations,” and all references thereto shall mean and include applicable final, proposed and temporary United States Treasury Regulations promulgated with respect to Sections 103 and 141 through 150 of the Code, including all amendments thereto made hereafter.

“Remarketing Agent” means a remarketing agent or commercial paper dealer appointed by the Issuer pursuant to a Supplemental Indenture.

“Repayment Obligations” means, collectively, all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations.

“Reserve Instrument” means a device or instrument issued by a Reserve Instrument Provider to satisfy all or any portion of the Debt Service Reserve Requirement applicable to a Series of Bonds. The term “Reserve Instrument” includes, by way of example and not of limitation, letters of credit, bond insurance policies, surety bonds, standby bond purchase agreements, lines of credit and other devices.

“Reserve Instrument Agreement” means any agreement entered into by the Issuer and a Reserve Instrument Provider pursuant to a Supplemental Indenture and providing for the issuance by such Reserve Instrument Provider of a Reserve Instrument.

“Reserve Instrument Costs” means all fees, premiums, expenses and similar costs, other than Reserve Instrument Repayment Obligations, required to be paid to a Reserve Instrument Provider pursuant to a Reserve Instrument Agreement. Each Reserve Instrument Agreement shall specify the fees, premiums, expenses and costs constituting Reserve Instrument Costs.

“Reserve Instrument Coverage” means, as of any date of calculation, the aggregate amount available to be paid to the Trustee pursuant to the Indenture under all Reserve Instruments.

“Reserve Instrument Fund” means Murray City, Utah Sales Tax Revenue Reserve Instrument Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

“Reserve Instrument Limit” means, as of any date of calculation and with respect to any Reserve Instrument, the maximum aggregate amount available to be paid under such Reserve Instrument into the Debt Service Reserve Fund assuming for purposes of such calculation that the amount initially available under each Reserve Instrument has not been reduced or that the amount initially available under each Reserve Instrument has only been reduced as a result of the payment of principal of the applicable Series of Bonds.

“Reserve Instrument Provider” means any bank, savings and loan association, savings bank, thrift institution, credit union, insurance company, surety company or other institution issuing a Reserve Instrument.

“Reserve Instrument Repayment Obligations” means, as of any date of calculation and with respect to any Reserve Instrument Agreement, those outstanding amounts payable by the Issuer under such Reserve Instrument Agreement to repay the Reserve Instrument Provider for payments previously made by it pursuant to a Reserve Instrument. There shall not be included in the calculation of Reserve Instrument Repayment Obligations any Reserve Instrument Costs. Each Reserve Instrument Agreement or the Supplemental Indenture authorizing the execution and delivery of such Reserve Instrument Agreement shall specify the amounts payable under it which, when outstanding, shall constitute Reserve Instrument Repayment Obligations and shall specify the portions of such amounts that are allocable as principal of and as interest on such Reserve Instrument Repayment Obligations.

“Revenue Fund” means Murray City, Utah Sales Tax Revenue Fund created in the Indenture to be held by the Issuer and administered pursuant to the Indenture.

“Revenues” means 100% of the Local Sales and Use Tax revenues received by the Issuer pursuant to Title 59, Chapter 12, Parts 2 and 21, Utah Code Annotated 1953, as amended.”

“S & P” means Standard & Poor’s Rating Services.

“Security Instrument” means an instrument or other device issued by a Security Instrument Issuer to pay, or to provide security or liquidity for, a Series of Bonds. The term “Security Instrument” includes, by way of example and not of limitation, letters of credit, bond insurance policies, standby bond purchase agreements, lines of credit and other security instruments and credit enhancement or liquidity devices (but does not include a Reserve Instrument); provided, however, that no such device or instrument shall be a “Security Instrument” for purposes of the Indenture unless specifically so designated in a Supplemental Indenture authorizing the use of such device or instrument.

“Security Instrument Agreement” means any agreement entered into by the Issuer and a Security Instrument Issuer pursuant to a Supplemental Indenture providing for the issuance by such Security Instrument Issuer of a Security Instrument.

“Security Instrument Costs” means, with respect to any Security Instrument, all fees, premiums, expenses and similar costs, other than Security Instrument Repayment Obligations, required to be paid to a Security Instrument Issuer pursuant to a Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument. Such Security Instrument Agreement or Supplemental Indenture shall specify any fees, premiums, expenses and costs constituting Security Instrument Costs.

“Security Instrument Issuer” means any bank or other financial institution, insurance company, surety company or other institution issuing a Security Instrument.

“Security Instrument Repayment Obligations” means, as of any date of calculation and with respect to any Security Instrument Agreement, any outstanding amounts payable by the Issuer under the Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument to repay the Security Instrument Issuer for payments previously or concurrently made by the Security Instrument Issuer pursuant to a Security Instrument. There shall not be included in the calculation of the amount of Security Instrument Repayment Obligations any Security Instrument Costs. Each Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument shall specify any amounts payable under it which, when outstanding, shall constitute Security Instrument Repayment Obligations and shall specify the portions of any such amounts that are allocable as principal of and as interest on such Security Instrument Repayment Obligations.

“Serial Bonds” means those Bonds other than Term Bonds.

“Series” means all of the Bonds authenticated and delivered on original issuance and identified pursuant to the Supplemental Indenture authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor.

“Sinking Fund Account” means Murray City, Utah Sales Tax Revenue Sinking Fund Account of the Bond Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

“Sinking Fund Installment” means the amount of money which is required to be deposited into the Sinking Fund Account in each Bond Fund Year as specified in the Supplemental Indenture authorizing the Bonds of a Series for the retirement of Term Bonds of such Series, if any (whether at maturity or by redemption), and including the redemption premium, if any.

“Special Record Date” means such date as may be fixed for the payment of defaulted interest on the Bonds in accordance with the Indenture.

“State” means the State of Utah.

“Supplemental Indenture” means any indenture between the Issuer and the Trustee entered into pursuant to and in compliance with the provisions of the Indenture.

“Swap Counterparty” means a member of the International Swap Dealers Association rated in one of the three top rating categories by at least one of the Rating Agencies and meeting the requirements of applicable laws of the State.

“Swap Payments” means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable to the Swap Counterparty by the Trustee on behalf of the Issuer.

“Swap Receipts” means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable to the Trustee for the account of the Issuer by the Swap Counterparty.

“Term Bonds” means the Bonds which shall be subject to retirement by operation of mandatory sinking fund redemptions from the Sinking Fund Account.

“Trustee” means Zions First National Bank, Corporate Trust Department, 10 East South Temple, 12th Floor, Salt Lake City, Utah 84111 or any successor corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at any time serving as successor trustee under the Indenture.

“Utah Code” means Utah Code Annotated 1953, as amended.

“Variable Rate Bonds” means, as of any date of calculation, Bonds the terms of which on such date of calculation are such that interest thereon for any future period of time is expressed to be calculated at a rate which is not susceptible to a precise determination.

Indenture to Constitute Contract

In consideration of the purchase and acceptance from time to time of any and all of the Bonds authorized to be issued under the Indenture by the Registered Owners thereof, the issuance from time to time of any and all Security Instruments by Security Instrument Issuers, and the issuance from time to time of any and all Reserve Instruments by Reserve Instrument Providers pursuant to the Indenture, the Indenture shall be deemed to be and shall constitute a contract between the Issuer and the Owners from time to time of the Bonds, the Security Instrument Issuers and the Reserve Instrument Providers; and the pledge made in the Indenture and the covenants and agreements set forth in the Indenture to be performed by or on behalf of the Issuer shall be, FIRST, for the equal benefit, protection and security of the Owners of any and all of the Bonds and the Security Instrument Issuers of any and all of the Security Instruments, all of which, regardless of the time or times of their issuance, delivery, maturity, or expiration shall be of equal rank without preference, priority or distinction of any of the Bonds or the Security Instrument Repayment Obligations over any others, except as expressly provided in or permitted by the Indenture, and SECOND, for the equal benefit, protection and security of the Reserve Instrument Providers of any and all of the Reserve Instruments which, regardless of the time or times of their issuance, delivery or termination, shall be of equal rank without preference, priority or distinction of any Reserve Instrument over any other thereof.

The Bonds

Limited Obligation. The Bonds, together with interest thereon, and all Repayment Obligations shall be limited obligations of the Issuer payable solely from the Revenues (except to the extent paid out of moneys attributable to the Bond proceeds or other funds created under the Indenture or the income from the temporary investment thereof). The Bonds shall be a valid claim of the respective Registered Owners thereof only against the Revenues and other moneys in funds and accounts held by the Trustee under the Indenture (except the Rebate Fund) and the Issuer by the Indenture pledges and assigns the same for the equal and ratable payment of the Bonds and all Repayment Obligations, and the Revenues shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds and to pay the Repayment Obligations, except as may be otherwise expressly authorized in the Indenture. The issuance of the Bonds and delivery of any Security Instrument Agreement or Reserve Instrument Agreement shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefor.

Nonpresentation of Bonds. Unless otherwise provided by Supplemental Indenture, in the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the Issuer to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability to the Registered Owner of such Bond for interest thereon, for the benefit of the Registered Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part under the Indenture or on, or with respect to, said Bond. If any Bond shall not be presented for payment within four years following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall, to the extent permitted by law, repay to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer,

and the Registered Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money. These provisions are subject to the provisions of Title 67, Chapter 4a, Utah Code Annotated 1953, as amended.

Issuance of Additional Bonds. No additional indebtedness, bonds or notes of the Issuer secured by a pledge of the Revenues senior to the pledge of Revenues for the payment of the Bonds and the Security Instrument Repayment Obligations authorized in the Indenture shall be created or incurred without the prior written consent of the Owners of 100% of the Outstanding Bonds and the Security Instrument Issuers. In addition, no Additional Bonds or other indebtedness, bonds or notes of the Issuer payable on a parity with the Bonds authorized in the Indenture out of Revenues shall be created or incurred, unless the following requirements have been met:

(a) No Event of Default shall have occurred under the Indenture and be continuing under the Indenture on the date of authentication of any Additional Bonds. This paragraph (a) shall not preclude the issuance of Additional Bonds if (i) the issuance of such Additional Bonds otherwise complies with the provisions of the Indenture and (ii) such Event of Default will cease to continue upon the issuance of Additional Bonds and the application of the proceeds thereof; and

(b) A certificate shall be delivered to the Trustee by an Authorized Representative to the effect that the Revenues for any consecutive 12 month period in the 24 months immediately preceding the proposed date of issuance of such Additional Bonds were at least equal to 200% of the sum of (x) the maximum Aggregate Annual Debt Service Requirement on all Bonds and Additional Bonds to be Outstanding following the issuance of the Additional Bonds plus (y) the maximum annual installments due on all Reserve Instrument Repayment Obligations to be outstanding following the issuance of such Additional Bonds;

provided, however, that such Revenue coverage test set forth above shall not apply to the issuance of any Additional Bonds to the extent (i) they are issued for the purpose of refunding Bonds issued under the Indenture (ii) the Average Aggregate Annual Debt Service for such Additional Bonds does not exceed the then remaining Average Aggregate Annual Debt Service for the Bonds being refunded therewith and (iii) the maximum Aggregate Annual Debt Service Requirement for such Additional Bonds is less than or equal to the maximum Aggregate Annual Debt Service Requirement for the Bonds being refunded therewith; and

(c) All payments required by the Indenture to be made into the Bond Fund must have been made in full, and there must be on deposit in each account of the Debt Service Reserve Fund (taking into account any Reserve Instrument Coverage) the full amount required by the Indenture to be accumulated therein at such time; and

(d) The proceeds of the Additional Bonds must be used (i) to refund Bonds issued under the Indenture or other obligations of the Issuer (including the funding of necessary reserves and the payment of costs of issuance) or (ii) to finance or refinance a Project (including the funding of necessary reserves and the payment of costs of issuance).

Covenant Against Creating or Permitting Liens. Except for the pledge of Revenues to secure payment of the Bonds and Repayment Obligations under the Indenture, the Revenues are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto; provided, however, that nothing contained in the Indenture shall prevent the Issuer from issuing, if and to the extent permitted by law, indebtedness having a lien on Revenues subordinated to that of the Bonds and Repayment Obligations.

Use of Funds

Use of Construction Fund.

(a) So long as an Event of Default shall not have occurred and be continuing, moneys deposited in the appropriate account in the Construction Fund shall be paid out by the Trustee in order to pay the Cost of a Project, in each case within three Business Days (or within such longer period as is reasonably required

to liquidate investments in the Construction Fund if required to make such payment) after the receipt by the Trustee of a written requisition approved by an Authorized Representative of the Issuer, stating that the Trustee shall disburse sums in the manner specified by and at the direction of the Issuer to the person or entity designated in such written requisition, and that the amount set forth therein is justly due and owing and constitutes a Cost of a Project based upon audited, itemized claims substantiated in support thereof.

(b) Upon receipt of such requisition, the Trustee shall pay the obligation set forth in such requisition out of moneys in the applicable account in the Construction Fund. In making such payments the Trustee may rely upon such requisition. Such payments shall be presumed to be made properly and the Trustee shall not be required to see to the application of any payments from the Construction Fund or to inquire into the purposes for which withdrawals are being made from the Construction Fund.

(c) The Issuer shall deliver to the Trustee, within 90 days after the completion of a Project, a certificate stating:

(i) that such Project has been fully completed in accordance with the plans and specifications therefor as amended from time to time, and stating the date of completion for such Project; and

(ii) that the Issuer is of the opinion that such Project has been fully paid for and no claim or claims exist against the Issuer or against such Project out of which a lien based on furnishing labor or material exists or might ripen; provided, however, there may be excepted from the foregoing statement any claim or claims out of which a lien exists or might ripen in the event that the Issuer intends to contest such claim or claims, in which event such claim or claims shall be described to the Trustee.

(d) In the event the certificate filed with the Trustee pursuant to paragraph (c) above shall state that there is a claim or claims in controversy which create or might ripen into a lien, there shall be filed with the Trustee a similar certificate when and as such claim or claims shall have been fully paid or otherwise discharged.

(e) The Trustee and the Issuer shall keep and maintain adequate records pertaining to each account within the Construction Fund and all disbursements therefrom.

(f) Unless otherwise specified in a Supplemental Indenture, upon completion of a Project and payment of all costs and expenses incident thereto and the filing with the Trustee of documents required by the Indenture, any balance remaining in the applicable account in the Construction Fund relating to such Project shall, as directed by the Issuer, be deposited in the Bond Fund, to be applied at the written direction of the Issuer toward the redemption of the Series of Bonds issued to finance such Project or to pay principal and/or interest next falling due with respect to the Bonds.

(g) The Trustee shall, to the extent there are no other available funds held under the Indenture, use the remaining funds in the Construction Fund to pay principal and interest on the Bonds at any time in the event of a payment default under the Indenture.

Application of Revenues. All Revenues shall be accounted for by the Issuer in the Revenue Fund separate and apart from all other moneys of the Issuer.

(a) So long as any Bonds are Outstanding and as a first charge and lien on the Revenues, the Issuer shall on or before the fifteenth day of each month allocate to the Revenue Fund an amount equal to:

(i) approximately one-sixth of the interest falling due on the Bonds (or, if the first Interest Payment Date is less than six months away, the Issuer shall allocate to the Revenue Fund an amount sufficient to total the interest payable on the Bonds in equal monthly installments) on the next succeeding Interest Payment Date established for the Bonds (provided, however, that so long

as there are moneys representing capitalized interest on deposit with the Trustee to pay interest on the Bonds next coming due, the Issuer need not allocate to the Revenue Fund to pay interest on the Bonds); plus

(ii) if principal is due on the Bonds within the next succeeding 12 months, approximately one-twelfth of the principal and premium, if any, falling due on the next succeeding principal payment date established for the Bonds (or, if the first principal payable on the Bonds is less than twelve months away, the Issuer shall allocate to the Revenue Fund an amount sufficient to total the principal payable on the Bonds in equal monthly installments); plus

(iii) if a Sinking Fund Installment is due on the Bonds within the next succeeding 12 months, approximately one-twelfth of the Sinking Fund Installments falling due on the next succeeding Sinking Fund Installment payment date (or, if the first Sinking Fund Installment is less than twelve months away, the Issuer shall allocate to the Revenue Fund an amount sufficient to total the first Sinking Fund Installment on the Bonds in equal monthly installments) plus

(iv) Administrative Costs which shall be paid by the Issuer from time to time as they become due and payable,

the sum of which shall be sufficient, when added to the existing balance in the Bond Fund, to pay the principal of, premium, if any, and interest on the Bonds promptly on each such Interest Payment Date as the same become due and payable and to pay Administrative Costs. The Issuer shall transfer from the Revenue Fund or otherwise provide for allocation from Revenues to the Trustee for deposit to the Bond Fund at least fifteen days prior to each Interest Payment Date amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds promptly on each such Interest Payment Date as the same become due and payable. The foregoing provisions may be revised by a Supplemental Indenture for any Series of Bonds having other than semiannual Interest Payment Dates.

(b) As a second charge and lien on the Revenues, the Issuer shall make the following transfers to the Trustee on or before the fifteenth day of each month of each year:

(i) To the extent the Debt Service Reserve Requirement, if any, is not funded with a Reserve Instrument or Instruments, (A) to the accounts in the Debt Service Reserve Fund any amounts required by the Indenture and by any Supplemental Indenture to accumulate therein the applicable Debt Service Reserve Requirement at the times and in the amounts provided in the Indenture and in any Supplemental Indenture and (B) if funds shall have been withdrawn from a account in the Debt Service Reserve Fund to pay debt service or Sinking Fund Installments, the Issuer shall deposit Revenues in such account in the Debt Service Reserve Fund sufficient in amount to restore such moneys so withdrawn within the period required by the Supplemental Indenture governing the applicable Debt Service Reserve Requirement; or a ratable portion (based on the amount to be transferred pursuant to Subparagraph (ii) of this Paragraph) of remaining Revenues if less than the amount necessary, and

(ii) Equally and ratably to the accounts of the Reserve Instrument Fund, with respect to all Reserve Instruments which are in effect and are expected to continue in effect after the end of such month, such amount of the remaining Revenues, or a ratable portion (based on the amount to be transferred pursuant to Subparagraph (i) of this Paragraph) of the amount so remaining if less than the amount necessary, that is required to be paid, on or before the next such transfer or deposit of Revenues into the Reserve Instrument Fund, to the Reserve Instrument Provider pursuant to any Reserve Instrument Agreement, other than Reserve Instrument Costs, in order to cause the Reserve Instrument Coverage to equal the Reserve Instrument Limit.

(c) The Revenues remaining after the foregoing deposits and transfers in each month and not required to be used for remedying any deficiencies in payments previously made into the Funds, may be used at any time for any other lawful purpose.

Use of Bond Fund

(a) The Trustee shall make deposits, as and when received, as follows:

(i) accrued interest received upon the issuance of any Series of Bonds shall be deposited into the Bond Fund;

(ii) all moneys payable by the Issuer as specified in the Indenture shall be deposited into the Bond Fund;

(iii) any amount in the Construction Fund which shall be transferred to the Bond Fund to the extent required by the Indenture upon completion of a Project;

(iv) all moneys transferred to the Bond Fund from the Debt Service Reserve Fund or from a Reserve Instrument or Instruments then in effect as provided in the Indenture; and

(v) all other moneys received by the Trustee in the Indenture when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund, shall be deposited into the Bond Fund.

(b) Except as provided in the Indenture and except as otherwise provided by a Supplemental Indenture, moneys in the Bond Fund shall be expended solely for the following purposes and in the following order of priority:

(i) on or before each Interest Payment Date for each Series of Bonds, the amount required for the interest payable on such date;

(ii) on or before each Principal Installment due date, the amount required for the Principal Installment payable on such due date; and

(iii) on or before each redemption date for each Series of Bonds, the amount required for the payment of redemption price of and accrued interest on such Bonds then to be redeemed.

Such amounts shall be applied by the Paying Agents to pay Principal Installments and redemption price of, and interest on the related Series of Bonds.

The Trustee shall pay out of the Bond Fund to the Security Instrument Issuer, if any, that has issued a Security Instrument with respect to such Series of Bonds an amount equal to any Security Instrument Repayment Obligation then due and payable to such Security Instrument Issuer. Except as otherwise specified in a related Supplemental Indenture all such Security Instrument Repayment Obligations shall be paid on a parity with the payments to be made with respect to principal and interest on the Bonds; provided that amounts paid under a Security Instrument shall be applied only to pay the related Series of Bonds. If payment is so made on Pledged Bonds held for the benefit of the Security Instrument Issuer, a corresponding payment on the Security Instrument Repayment Obligation shall be deemed to have been made (without requiring an additional payment by the Issuer) and the Trustee shall keep its records accordingly.

The Issuer by the Indenture authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay principal of and interest on the Bonds and on Security Instrument Repayment Obligations as the same become due and payable and to make said funds so withdrawn available to the Trustee and any paying agent for the purpose of paying said principal and interest.

(c) After payment in full of the Principal of and interest on all Bonds issued under the Indenture (or after provision has been made for the payment thereof as provided in the Indenture so that such Bonds are no longer Outstanding); all agreements relating to all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations in accordance with their respective terms, and

the fees, charges and expenses of the Trustee, any paying agent and any other amounts required to be paid under the Indenture or under any Supplemental Indenture and under any Security Instrument Agreement and under any Reserve Instrument Agreement, all amounts remaining in the Bond Fund shall be paid to the Issuer.

Use of Sinking Fund Account.

(a) The Trustee shall apply moneys in the Sinking Fund Account to the retirement of any Term Bonds required to be retired by operation of the Sinking Fund Account under the provisions of and in accordance with the Supplemental Indenture authorizing the issuance of such Term Bonds, either by redemption in accordance with such Supplemental Indenture or, at the direction of the Issuer, purchase of such Term Bonds in the open market prior to the date on which notice of the redemption of such Term Bonds is given pursuant to the Indenture, at a price not to exceed the redemption price of such Term Bonds (plus accrued interest which will be paid from moneys in the Bond Fund other than those in the Sinking Fund Account).

(b) On the maturity date of any Term Bonds, the Trustee shall apply the moneys on hand in the Sinking Fund Account for the payment of the principal of such Term Bonds.

Use of Debt Service Reserve Fund. Except as otherwise provided in the Indenture and subject to the immediately following sentence, moneys in the Debt Service Reserve Fund shall at all times be maintained in an amount not less than the applicable Debt Service Reserve Requirement, if any. In calculating the amount on deposit in each account in the Debt Service Reserve Fund, the amount of any Reserve Instrument Coverage will be treated as an amount on deposit in such account in the Debt Service Reserve Fund. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify the Debt Service Reserve Requirement, if any, applicable to such Series which amount shall be (i) deposited immediately upon the issuance and delivery of such Series from (a) proceeds from the sale thereof or from any other legally available source, or (b) by a Reserve Instrument or Instruments, or (c) any combination thereof or (ii) deposited from available Revenues over the period of time specified therein, or (iii) deposited from any combination of (i) and (ii) above; provided however, the foregoing provisions shall be subject to the requirements of any bond insurer or other security instrument issuer set forth in any Supplemental Indenture. If at any time the amount on deposit in any account of the Debt Service Reserve Fund is less than the minimum amount to be maintained therein under the Indenture, the Issuer, under the Indenture, is required to, within the period required pursuant to the provisions of a Supplemental Indenture, make payments totaling the amount of any such deficiency directly to the Trustee for deposit into the Debt Service Reserve Fund.

In the event funds on deposit in an account of the Debt Service Reserve Fund are needed to make up any deficiencies in the Bond Fund as aforementioned, and there is insufficient cash available in such account of the Debt Service Reserve Fund to make up such deficiency and Reserve Instruments applicable to such Series are in effect, the Trustee shall immediately make a demand for payment on such Reserve Instruments, to the maximum extent authorized by such Reserve Instruments, in the amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof into the Bond Fund. Thereafter, the Issuer shall be obligated to reinstate the Reserve Instrument as provided in the Indenture.

No Reserve Instrument shall be allowed to expire or terminate unless and until cash has been deposited into the related account of the Debt Service Reserve Fund, or a new Reserve Instrument has been issued in place of the expiring or terminating Reserve Instrument, or any combination thereof in an amount or to provide coverage, as the case may be, at least equal to the amount required to be maintained in the related account of the Debt Service Reserve Fund.

Funds at any time on deposit in the account of the Debt Service Reserve Fund in excess of the amount required to be maintained therein (taking into account the amount of Reserve Instrument Coverage) shall be transferred to the Bond Fund at least once each year.

Funds on deposit in any account of the Debt Service Reserve Fund shall be used to make up any deficiencies in the Bond Fund only for each related Series of Bonds and any Reserve Instrument for a Series of Bonds shall only be drawn upon with respect to the Series of Bonds for which such Reserve Instrument was obtained.

Use of Reserve Instrument Fund. There shall be paid into the Reserve Instrument Fund the amounts required by the Indenture and by a Supplemental Indenture to be so paid. The amounts in the Reserve Instrument Fund shall, from time to time, be applied by the Trustee on behalf of the Issuer to pay the Reserve Instrument Repayment Obligations which are due and payable to any Reserve Instrument Provider under any applicable Reserve Instrument Agreement. The Issuer may, with the approving opinion of bond counsel that such transaction will not adversely affect the tax-exempt status of any outstanding Bonds, replace any amounts required to be on deposit on the Debt Service Reserve Fund with a Reserve Instrument.

Use of Rebate Fund.

(a) If it becomes necessary for the Issuer to comply with the rebate requirements of the Code and the Regulations, the Trustee shall establish and thereafter maintain, so long as the Bonds are Outstanding, a Rebate Fund, which shall be held separate and apart from all other funds and accounts established under the Indenture and from all other moneys of the Trustee.

(b) All amounts in the Rebate Fund, including income earned from investment of the fund, shall be held by the Trustee free and clear of the lien of the Indenture. In the event the amount on deposit in the Rebate Fund exceeds the aggregate amount of Rebatable Arbitrage for all Series of Bonds, as verified in writing by an independent public accountant or other qualified professional at the time the Rebatable Arbitrage is determined, less amounts of Rebatable Arbitrage theretofore paid to the United States for all Series of Bonds, the Trustee shall, upon the Issuer's written request accompanied by the determination report, withdraw from the Rebate Fund and pay to the Issuer an amount not to exceed such excess.

(c) The Issuer shall determine the amount of Rebatable Arbitrage and the corresponding required rebate deposit with respect to each Series of Bonds on each applicable Rebate Calculation Date and take all other actions necessary to comply with the rebate requirements of the Code and the Regulations. The Issuer shall deposit into the Rebate Fund the required rebate deposit, if any, with respect to each Series of Bonds (or instruct the Trustee to transfer to the Rebate Fund moneys representing such required rebate deposit from the Funds and Accounts held under the Indenture other than the Rebate Fund) or shall otherwise make payment of the rebate to be paid to the United States at the times required by the Code and the Regulations. If applicable, the Issuer shall instruct in writing the Trustee to withdraw from the Rebate Fund and pay any rebate over to the United States. The determination of Rebatable Arbitrage made with respect to each such payment date and with respect to any withdrawal and payment to the Issuer from the Rebate Fund pursuant to the Indenture must be verified in writing by an independent public accountant or other qualified professional. The Trustee may rely conclusively upon and shall be fully protected from all liability in relying upon the Issuer's determinations, calculations and certifications and the Trustee shall have no responsibility to independently make any calculations or determination or to review the Issuer's determinations, calculations and certifications.

(d) The Trustee shall, at least 60 days prior to each Rebate Calculation Date, notify the Issuer of the requirements of the Indenture. By agreeing to give notice, the Trustee assumes no responsibility whatsoever for compliance by the Issuer with the requirements of Section 148 of the Code or any successor. The Issuer expressly agrees that (notwithstanding any other provision of the Indenture) any failure of the Trustee to give any such notice, for any reason whatsoever, shall not cause the Trustee to be responsible for any failure of the Issuer to comply with the requirements of said Section 148 or any successor thereof.

(e) The provisions may be amended or deleted without Bond owner consent or notice, upon receipt by the Issuer and the Trustee of an opinion of nationally recognized bond counsel that such amendment or deletion will not adversely affect the exclusion from gross income of interest on the Bonds.

Investment of Funds. Any moneys in the Bond Fund, the Construction Fund, the Rebate Fund, the Reserve Instrument Fund or the Debt Service Reserve Fund shall, at the discretion and authorization of the treasurer of the Issuer, be invested by the Trustee in Qualified Investments; provided, however, that moneys on deposit in the Bond Fund, the Reserve Instrument Fund and Debt Service Reserve Fund may only be invested in Qualified Investments having a maturity date one year or less. If no written authorization is given to the Trustee, moneys shall be held uninvested. Such investments shall be held by the Trustee, and when the Trustee determines it necessary to use the

moneys in the Funds for the purposes for which the Funds were created, it shall liquidate at prevailing market prices as much of the investments as may be necessary and apply the proceeds to such purposes. All income derived from the investment of the Construction Fund, Bond Fund, the Reserve Instrument Fund and Rebate Fund shall be maintained in said respective Funds and disbursed along with the other moneys on deposit therein as provided in the Indenture. All income derived from the investment of the Debt Service Reserve Fund shall be disbursed in accordance with the Indenture. All moneys in the Revenue Fund may at the discretion of the Issuer be invested by the Issuer in Qualified Investments.

The Trustee shall have no liability or responsibility for any loss resulting from any investment made in accordance with the provisions of the Indenture. The Trustee shall be entitled to assume that any investment, which at the time of purchase is a Qualified Investment, remains a Qualified Investment thereafter, absent receipt of written notice or information to the contrary.

The Trustee may, to the extent permitted by the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code Annotated 1953, as amended, make any and all investments permitted by the provisions of the Indenture through its own or any of its affiliate's investment departments.

The Issuer acknowledges that to the extent regulations of the Comptroller of the Currency or any other regulatory entity grant the Issuer the right to receive brokerage confirmations of the security transactions as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Issuer periodic cash transaction statements which include the detail for all investment transactions made by the Trustee under the Indenture.

In the event the Issuer shall be advised by nationally recognized municipal bond counsel that it is necessary to restrict or limit the yield on the investment of any moneys paid to or held by the Trustee in order to avoid the Bonds, or any Series thereof, being considered "arbitrage bonds" within the meaning of the Code or the Treasury Regulations proposed or promulgated thereunder, or to otherwise preserve the exclusion of interest payable or paid on any Bonds from gross income for federal income tax purposes, the Issuer may require in writing the Trustee to take such steps as it may be advised by such counsel are necessary so to restrict or limit the yield on such investment, irrespective of whether the Trustee shares such opinion, and the Trustee agrees that it will take all such steps as the Issuer may require.

Trust Funds. All moneys and securities received by the Trustee under the provisions of the Indenture shall be trust funds under the terms of the Indenture and shall not be subject to lien or attachment of any creditor of the State or any political subdivision, body, agency, or instrumentality thereof or of the Issuer and shall not be subject to appropriation by any legislative body or otherwise. Such moneys and securities shall be held in trust and applied in accordance with the provisions of the Indenture. Except as provided otherwise in the Indenture, unless and until disbursed pursuant to the terms of the Indenture, all such moneys and securities (and the income therefrom) shall be held by the Trustee as security for payment of the principal, premium, if any, and interest on the Bonds and the fees and expenses of the Trustee payable under the Indenture.

Method of Valuation and Frequency of Valuation. In computing the amount in any fund or account, Qualified Investments shall be valued at market, exclusive of accrued interest. With respect to all funds and accounts, valuation shall occur quarterly, except in the event of a withdrawal from the Debt Service Reserve Fund, whereupon securities shall be valued immediately after such withdrawal.

Covenants

General Covenants. The Issuer covenants and agrees with each and every Registered Owner of the Bonds issued under the Indenture and Reserve Instrument Provider as follows:

- (a) Pursuant to the Act, while any of the Bonds remain outstanding and unpaid, or any Repayment Obligations are outstanding, the ordinance, resolution or other enactment of the Issuer imposing the taxes described in the definition of Revenues and pursuant to which said taxes are being collected, the obligation of the Issuer to continue to levy, collect, and allocate such taxes, and to apply such Revenues in accordance with the provisions of the authorizing ordinance, resolution or other enactment, shall be

irrevocable until the Bonds and or any Repayment Obligations have been paid in full as to both principal and interest, and is not subject to amendment in any manner which would impair the rights of the holders of those Bonds or Repayment Obligations which would in any way jeopardize the timely payment of principal or interest when due.

(b) The outstanding Bonds to which the Revenues of the Issuer have been pledged as the sole source of payment shall not at any one time exceed an amount for which the average Aggregate Annual Debt Service Requirement of the Bonds will exceed eighty percent (80%) of the Revenues to be received by the Issuer during the Bond Fund Year immediately preceding the Bond Fund Year in which the Resolution authorizing the latest applicable Series of Bonds is adopted.

(c) Each Registered Owner Security Instrument Issuer and Reserve Instrument Provider, or any duly authorized agent or agents thereof shall have the right at all reasonable times to inspect all records, accounts and data relating to the receipt and disbursements of the Revenues. Except as otherwise provided in the Indenture, the Issuer further agrees that it will within one hundred eighty (180) days following the close of each Bond Fund Year cause an audit of such books and accounts to be made by an independent firm of certified public accountants, showing the receipts and disbursements of the Revenues, and that such audit will be available for inspection by each Registered Owner, Security Instrument Issuer and Reserve Instrument Provider.

First Lien Bonds; Equality of Liens. The Bonds and any Security Instrument Repayment Obligations constitute an irrevocable first lien upon the Revenues. The Issuer covenants that the Bonds and Security Instrument Repayment Obligations hereafter authorized to be issued and from time to time outstanding are equitably and ratably secured by a first lien on the Revenues and shall not be entitled to any priority one over the other in the application of the Revenues regardless of the time or times of the issuance of the Bonds or delivery of Security Instruments, it being the intention of the Issuer that there shall be no priority among the Bonds or the Security Instrument Repayment Obligations regardless of the fact that they may be actually issued and/or delivered at different times.

Any assignment or pledge from the Issuer to a Reserve Instrument Provider of (i) proceeds of the issuance and sale of Bonds, (ii) Revenues, or (iii) Funds established by the Indenture, including investments, if any, thereof, is and shall be subordinate to the assignment and pledge effected by the Indenture to the Registered Owners of the Bonds and the Security Instrument Issuers.

Payment of Principal and Interest. The Issuer covenants that it will punctually pay or cause to be paid the Principal of and interest on every Bond issued under the Indenture, any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations, in strict conformity with the terms of the Bonds, the Indenture, any Security Instrument Agreement and any Reserve Instrument Agreement, according to the true intent and meaning thereof. The Principal of and interest on the Bonds any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations are payable solely from the Revenues (except to the extent paid out of moneys attributable to Bond proceeds or other funds created under the Indenture or the income from the temporary investment thereof), which Revenues are specifically pledged and assigned by the Indenture to the payment thereof in the manner and to the extent specified in the Indenture, and nothing in the Bonds, the Indenture, any Security Instrument Agreement or any Reserve Instrument Agreement should be considered as pledging any other funds or assets of the Issuer for the payment thereof.

Performance of Covenants; Issuer. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Indenture, and in any and every Bond, Security Instrument Agreement and Reserve Instrument Agreement. The Issuer represents that it is duly authorized under the Constitution of the State to issue the Bonds authorized by the Indenture and to execute the Indenture, that all actions on its part for the issuance of the Bonds and the execution and delivery of the Indenture have been duly and effectively taken, and that the Bonds in the hands of the Registered Owners thereof are and will be valid and enforceable obligations of the Issuer according to the import thereof.

List of Bondholders. The Trustee will keep on file at its Principal Corporate Trust Office a list of the names and addresses of the Registered Owners of all Bonds which are from time to time registered on the registration books in the hands of the Trustee as Registrar for the Bonds. At reasonable times and under reasonable regulations

established by the Trustee, said list may be inspected and copied by the Issuer or by the Registered Owners (or a designated representative thereof) of 10% or more in principal amount of Bonds then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the reasonable satisfaction of the Trustee.

Default Provisions

Events of Default. Each of the following events is declared an “Event of Default” under the Indenture:

(a) if payment of any installment of interest on any of the Bonds shall not be made by or on behalf of the Issuer when the same shall become due and payable; or

(b) if payment of the principal of or the redemption premium, if any, on any of the Bonds shall not be made by or on behalf of the Issuer when the same shall become due and payable, either at maturity or by proceedings for redemption in advance of maturity or through failure to fulfill any payment to any fund under the Indenture or otherwise; or

(c) if the Issuer shall for any reason be rendered incapable of fulfilling its obligations under the Indenture; or

(d) if an order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or custodian for any of the Revenues of the Issuer, or approving a petition filed against the Issuer seeking reorganization of the Issuer under the federal bankruptcy laws or any other similar law or statute of the United States of America or any state thereof, or if any such order or decree, having been entered without the consent or acquiescence of the Issuer shall not be vacated or discharged or stayed on appeal within 30 days after the entry thereof; or

(e) if any proceeding shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are or may be under any circumstances payable from Revenues; or

(f) if (i) the Issuer is adjudged insolvent by a court of competent jurisdiction, or (ii) an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the Issuer, a receiver, trustee or custodian of the Issuer or of the whole or any part of their property and any of the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within 60 days from the date of entry thereof; or

(g) if the Issuer shall file a petition or answer seeking reorganization, relief or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or

(h) if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Issuer or of the whole or any substantial part of the property of the Issuer, and such custody or control shall not be terminated within 30 days from the date of assumption of such custody or control; or

(i) if the Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in the Indenture or any Supplemental Indenture on the part of the Issuer to be performed, other than as set forth in the Indenture, and such Default shall continue for 30 days after written notice specifying such Event of Default and requiring the same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Registered Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding under the Indenture; or

(j) any event specified in a Supplemental Indenture as constituting an Event of Default.

Remedies; Rights of Registered Owners. Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy by suit at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Bonds then Outstanding or to enforce any obligations of the Issuer under the Indenture including the right to require the Issuer to make deposits to the Bond Fund in the amounts set forth in the Indenture.

If an Event of Default shall have occurred, and if requested so to do by (i) Registered Owners of not less than 25% in aggregate Principal amount of the Bonds then Outstanding, (ii) Security Instrument Issuers at that time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure not less than 25% in aggregate Principal amounts of Bonds at the time Outstanding or (iii) any combination of Bondowners and Security Instrument Issuers described in (i) and (ii) above representing not less than 25% in aggregate Principal amount of Bonds at the time Outstanding, and indemnified as provided in the Indenture, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by the Indenture as the Trustee, being advised by counsel, shall deem most expedient in the interest of the Registered Owners and the Security Instrument Issuers.

No remedy by the terms of the Indenture conferred upon or reserved to the Trustee (or to the Registered Owners or to the Security Instrument Issuers) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Registered Owners or the Security Instrument Issuers or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any Event of Default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Event of Default under the Indenture, whether by the Trustee or by the Registered Owners or the Security Instrument Issuers, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Right of Registered Owners and Security Instrument Issuers to Direct Proceedings. Anything in the Indenture to the contrary notwithstanding, unless a Supplemental Indenture provides otherwise, either (i) the Registered Owners of a majority in aggregate Principal amount of the Bonds then Outstanding (ii) the Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding or (iii) any combination of Bondowners and Security Instrument Issuers described in (i) and (ii) above representing not less than 50% in aggregate Principal amount of Bonds at the time Outstanding, shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver or any other proceedings under the Indenture; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture.

Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of the Indenture shall, after payment of Trustee's fees and expenses including the fees and expenses of its counsel for the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee, be deposited in the Bond Fund and all moneys so deposited in the Bond Fund shall be applied in the following order:

(a) To the payment of the principal of, premium, if any, and interest then due and payable on the Bonds and the Security Instrument Repayment Obligations as follows:

(i) Unless the Principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST—To the payment to the persons entitled thereto of all installments of interest then due on the Bonds and the interest component of any Security Instrument Repayment Obligations then due, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular

installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

SECOND—To the payment to the persons entitled thereto of the unpaid Principal of and premium, if any, on the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture), in the order of their due dates, and the Principal component of any Security Instrument Repayment Obligations then due, and, if the amount available shall not be sufficient to pay in full all the Bonds and the Principal component of any Security Instrument Repayment Obligations due on any particular date, then to the payment ratably, according to the amount of Principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(ii) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the Principal and interest then due and unpaid upon the Bonds and Security Instrument Repayment Obligations, without preference or priority of Principal over interest or of interest over Principal, or of any installment of interest over any other installment of interest, or of any Bond or Security Instrument Repayment Obligation over any other Bond or Security Instrument Repayment Obligation, ratably, according to the amounts due respectively for Principal and interest, to the persons entitled thereto without any discrimination or privilege.

(iii) To the payment of all obligations owed to all Reserve Instrument Providers ratably, according to the amounts due without any discrimination or preference under any applicable agreement related to any Reserve Instrument Agreement.

Whenever moneys are to be applied pursuant to the provisions of the Indenture, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amounts of such moneys available for such application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of Principal paid on such dates shall cease to accrue.

Remedies Vested in Trustee. All rights of action (including the right to file proof of claims) under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings related thereto and any such suit or proceedings instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Registered Owners of the Bonds, and any recovery of judgment shall be for the equal benefit of the Registered Owners of the Outstanding Bonds.

Rights and Remedies of Registered Owners. Except as provided in the Indenture, no Registered Owner of any Bond or Security Instrument Issuer shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Indenture or for the execution of any trust thereof or for the appointment of a receiver or any other remedy under the Indenture, unless an Event of Default has occurred of which the Trustee has been notified as provided in the Indenture, or of which by said Indenture it is deemed to have notice, nor unless also Registered Owners of 25% in aggregate principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 25% in aggregate principal amount of Bonds at the time Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in its own name, nor unless also they have offered to the Trustee indemnity as provided in the Indenture nor unless the Trustee shall thereafter fail or refuse to exercise the powers granted in the Indenture, or to institute such action, suit or proceeding in its own name or names. Such notification, request and offer of indemnity are declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trust of the Indenture, and to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy under the Indenture; it being understood and intended that no one or more Registered Owner of the Bonds or Security Instrument Issuer shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Indenture by its action or to enforce any right under the Indenture except in the manner provided in the Indenture, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Indenture and for the equal benefit

of the Registered Owners of all Bonds then Outstanding and all Security Instrument Issuers at the time providing Security Instruments. Nothing contained in the Indenture shall, however, affect or impair the right of any Registered Owner or Security Instrument Issuer to enforce the covenants of the Issuer to pay the principal of, premium, if any, and interest on each of the Bonds issued under the Indenture held by such Registered Owner and Security Instrument Repayment Obligations at the time, place, from the source and in the manner in said Bonds or Security Instrument Repayment Obligations expressed.

Termination of Proceedings. In case the Trustee, any Bondowner or any Security Instrument's Issuer shall have proceeded to enforce any right under the Indenture by the appointment of a receiver, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Bondowner or the Security Instrument Issuer then and in every such case the Issuer and the Trustee shall be restored to their former positions and rights under the Indenture, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Waivers of Events of Default. Subject to the Indenture, the Trustee may in its discretion, and with the prior written consent of all Security Instrument Issuers at the time providing Security Instruments, waive any Event of Default under the Indenture and its consequences and shall do so upon the written request of the Registered Owners of (a) a majority in aggregate principal amount of all the Bonds then outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding in respect of which an Event of Default in the payment of principal and interest exist, or (b) a majority in aggregate principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding in the case of any other Event of Default; provided, however, that there shall not be waived (i) any default in the payment of the principal of any Bonds at the date that a Principal Installment is due, or (ii) any default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission, all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds in respect of which such Event of Default shall have occurred on overdue installments of interest and all arrears of payments of principal and premium, if any, when due and all expenses of the Trustee, in connection with such Event of Default shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee and the Registered Owners and the Security Instrument Issuers shall be restored to their former positions and rights under the Indenture, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Cooperation of Issuer. In the case of any Event of Default under the Indenture, the Issuer shall cooperate with the Trustee and use its best efforts to protect the Registered Owners, Bondowners and the Security Instrument Issuers.

Trustee Provisions

Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and/or reimbursement for reasonable fees for its services rendered as Trustee under the Indenture and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent and Registrar for the Bonds as provided in the Indenture. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a right of payment prior to payment on account of interest or principal of, or premium, if any, on any Bond for the foregoing advances, fees, costs and expenses incurred. The Trustee's rights under the Indenture will not terminate upon its resignation or removal or upon payment of the Bonds and discharge of the Indenture.

Notice to Registered Owners if Event of Default Occurs. If an Event of Default occurs of which the Trustee is by the Indenture required to take notice or if notice of an Event of Default be given to the Trustee as in said Indenture, then the Trustee shall give written notice thereof by registered or certified mail to all Security Instrument Issuers or to

Registered Owners of all Bonds then Outstanding shown on the registration books of the Bonds kept by the Trustee as Registrar for the Bonds.

Intervention by Trustee. In any judicial proceeding to which the Issuer is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interest of Registered Owners of the Bonds, the Trustee may intervene on behalf of such Owners and shall do so if requested in writing by the Registered Owners of at least 25% in aggregate principal amount of the Bonds then Outstanding. The rights and obligations of the Trustee under the Indenture are subject to the approval of a court of competent jurisdiction.

Resignation by the Trustee. The Trustee and any successor Trustee may, at any time, resign from the trusts created by the Indenture by giving written notice to the Issuer, served personally or by registered or certified mail, and by registered or certified mail to each Reserve Instrument Issuer, Security Instrument Issuer and Registered Owner of Bonds then Outstanding, and such resignation shall take effect upon the appointment of and acceptance by a successor Trustee by the Registered Owners or by the Issuer as provided in the Indenture; provided, however that if no successor Trustee has been appointed within 60 days of the date of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice, if any, as it deems proper and prescribes, appoint a successor Trustee.

Removal of the Trustee. The Trustee may be removed at any time, by an instrument or concurrent instruments (i) in writing delivered to the Trustee, and signed by the Issuer, unless there exists any Event of Default, or (ii) in writing delivered to the Trustee and the Issuer, and signed by the Registered Owners of a majority in aggregate principal amount of Bonds then Outstanding if an Event of Default exists; provided that such instrument or instruments concurrently appoint a successor Trustee meeting the qualifications set forth in the Indenture.

Appointment of Successor Trustee by Registered Owners; Temporary Trustee. In case the Trustee under the Indenture shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting under the Indenture, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Issuer or if an Event of Default exists by the Registered Owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by such Owners, or by their attorneys in fact, duly authorized; provided, nevertheless, that in case of such vacancy the Issuer by an instrument executed by an Authorized Representative under its seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Registered Owners in the manner above provided; and any such temporary Trustee so appointed by the Issuer shall immediately and without further act be superseded by the Trustee so appointed by such Registered Owners. Every successor Trustee appointed pursuant to the provisions of the Indenture or otherwise shall be a trust company or bank in good standing having a reported capital and surplus of not less than \$50,000,000.

Each Reserve Instrument Provider and Security Instrument Issuer shall be notified immediately upon the resignation or termination of the Trustee and provided with a list of candidates for the office of successor Trustee.

Trustee's Right to Own and Deal in Bonds. The bank or trust company acting as Trustee under the Indenture, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds issued and secured by the Indenture, and may join in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee under the Indenture.

Supplemental Indentures

Supplemental Indentures Not Requiring Consent of Registered Owners Security Instrument Issuers and Reserve Instrument Providers. The Issuer and the Trustee may, without the consent of, or notice to, any of the Registered Owners or Reserve Instrument Providers, but with notice to any Security Instrument Issuer, enter into an indenture or indentures supplemental to the Indenture, as shall not be inconsistent with the terms and provisions of the Indenture, for any one or more of the following purposes:

- (a) To provide for the issuance of Additional Bonds in accordance with the provisions of the Indenture;

- (b) To cure any ambiguity or formal defect or omission in the Indenture;
- (c) To grant to or confer upon the Trustee for the benefit of the Registered Owners, any Security Instrument Issuers and any Reserve Instrument Providers any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Registered Owners or any of them which shall not adversely affect the interests of any Reserve Instrument Providers or Security Instrument Issuers without its consent;
- (d) To subject to the Indenture additional Revenues or other revenues, properties, collateral or security;
- (e) To provide for the issuance of the Bonds pursuant to a book-entry system or as uncertificated registered public obligations pursuant to the provisions of the Registered Public Obligations Act, Title 15 Chapter 7 of the Utah Code Annotated 1953, as amended, or any successor provisions of law;
- (f) To make any change which shall not materially adversely affect the rights or interests of the Owners of any Outstanding Bonds, any Security Instrument Issuers or any Reserve Instrument Provider requested by a Rating Agency in order to obtain or maintain any rating on the Bonds or by a Security Instrument Issuer or Reserve Instrument Provider in order to insure or provide other security for any Bonds;
- (g) To make any change necessary (A) to establish or maintain the exemption from federal income taxation of interest on any Series of Bonds as a result of any modifications or amendments to Section 148 of the Code or interpretations by the Internal Revenue Service of Section 148 of the Code or of regulations proposed or promulgated thereunder, or (B) to comply with the provisions of Section 148(f) of the Code, including provisions for the payment of all or a portion of the investment earnings of any of the Funds established under the Indenture to the United States of America;
- (h) If the Bonds affected by such change are rated by a Rating Agency, to make any change which does not result in a reduction of the rating applicable to any of the Bonds so affected, provided that if any of the Bonds so affected are secured by a Security Instrument, such change must be approved in writing by the related Security Instrument Issuer;
- (i) If the Bonds affected by such change are secured by a Security Instrument, to make any change approved in writing by the related Security Instrument Issuer, provided that if any of the Bonds so affected are rated by a Rating Agency, such change shall not result in a reduction of the rating applicable to any of the Bonds so affected;
- (j) Unless otherwise provided by a Supplemental Indenture authorizing a Series of Bonds, the designation of the facilities to constitute a Project by such Supplemental Indenture may be modified or amended if the Issuer delivers to the Trustee (1) a Supplemental Indenture designating the facilities to comprise the Project and (2) an opinion of Bond Counsel to the effect that such amendment will not adversely affect the tax-exempt status (if applicable) or validity of the Bonds and certifying that such amendment will not adversely affect the Issuer's ability to comply with the provisions of the Indenture;
- (k) To correct any references contained in the Indenture to provisions of the Act, the Code or other applicable provisions of law that have been amended so that the references in the Indenture are correct.

Supplemental Indentures Requiring Consent of Registered Owners, Security Instrument Issuers and Reserve Instrument Providers; Waivers and Consents by Registered Owners. Exclusive of Supplemental Indentures covered by the Indenture and subject to the terms and provisions contained in the Indenture, and not otherwise, the Registered Owners of 66 2/3% in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in the Indenture to the contrary notwithstanding, to (i) consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental to the Indenture as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture, or (ii) waive

or consent to the taking by the Issuer of any action prohibited, or the omission by the Issuer of the taking of any action required, by any of the provisions of the Indenture or of any indenture supplemental to the Indenture; provided, however, that nothing in the Indenture shall permit or be construed as permitting (a) an extension of the date that a Principal Installment is due at maturity or mandatory redemption or reduction in the principal amount of, or reduction in the rate of or extension of the time of paying of interest on, or reduction of any premium payable on the redemption of, any Bond, without the consent of the Registered Owner of such Bond, or (b) a reduction in the amount or extension of the time of any payment required by any Fund established under the Indenture applicable to any Bonds without the consent of the Registered Owners of all the Bonds which would be affected by the action to be taken, or (c) a reduction in the aforesaid aggregate principal amount of Bonds, the Registered Owners of which are required to consent to any such waiver or Supplemental Indenture, or (d) affect the rights of the Registered Owners of less than all Bonds then Outstanding, without the consent of the Registered Owners of all the Bonds at the time Outstanding which would be affected by the action to be taken. In addition, no supplement to the Indenture shall modify the rights, duties or immunities of the Trustee, without the written consent of the Trustee. If a Security Instrument or a Reserve Instrument is in effect with respect to any Series of Bonds Outstanding and if a proposed modification or amendment would affect such Series of Bonds, then, except as provided in the Indenture, neither the Indenture nor any Supplemental Indenture with respect to such Series of Bonds shall be modified or amended at any time without the prior written consent of the related Security Instrument Issuer or Reserve Instrument Provider, as applicable.

Discharge of Indenture

If the Issuer shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made, to or for the Registered Owners of the Bonds, the principal of and interest due or to become due under the Indenture at the times and in the manner stipulated in the Indenture, and shall pay or cause to be paid to the Trustee all sums of moneys due or to become due according to the provisions of the Indenture, and to all Security Instrument Issuers and all Reserve Instrument Providers all sums of money due or to become due accordingly to the provisions of any Security Instrument Agreements or Reserve Instrument Agreements, as applicable, then these presents and the estate and rights granted by the Indenture shall cease, terminate and be void, whereupon the Trustee shall cancel and discharge the lien of the Indenture, and release, assign and deliver unto the Issuer any and all the estate, right, title and interest in and to any and all rights assigned or pledged to the Trustee, held by the Trustee, or otherwise subject to the lien of the Indenture, except moneys or securities held by the Trustee for the payment of the principal of and interest on the Bonds or the payment of amounts pursuant to any Security Instrument Agreements or the payment of amounts pursuant to any Reserve Instrument Agreements.

Any Bond shall be deemed to be paid within the meaning of the Indenture when payment of the principal of such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in the Indenture, or otherwise), either (a) shall have been made or caused to have been made in accordance with the terms thereof, or (b) shall have been provided by irrevocably depositing with or for the benefit of the Trustee, in trust and irrevocably setting aside exclusively for such payment, (i) moneys sufficient to make such payment, or (ii) Government Obligations, maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee and any paying agent pertaining to the Bond with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such times as a Bond shall be deemed to be paid under the Indenture, as aforesaid, it shall no longer be secured by or entitled to the benefits of the Indenture, except for the purposes of any such payment from such moneys or Government Obligations.

Notwithstanding the foregoing, in the case of Bonds, which by their terms may be redeemed prior to their stated maturity, no deposit under the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until the Issuer shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions:

- (a) stating the date when the principal of each such Bond is to be paid, whether at maturity or on a redemption date (which shall be any redemption date permitted by the Indenture);
- (b) directing the Trustee to call for redemption pursuant to the Indenture any Bonds to be redeemed prior to maturity pursuant to Subparagraph (i) above; and

(c) directing the Trustee to mail, as soon as practicable, in the manner prescribed by the Indenture, a notice to the Registered Owners of such Bonds and to each related Security Instrument Issuer that the deposit required by the Indenture has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with the Indenture and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Bonds as specified in Subparagraph (i) above.

Any moneys so deposited with the Trustee as provided in the Indenture may at the direction of the Issuer also be invested and reinvested in Government Obligations, maturing in the amounts and times as set forth in the Indenture, and all income from all Government Obligations in the hands of the Trustee pursuant to the Indenture which is not required for the payment of the Bonds and interest thereon with respect to which such moneys shall have been so deposited, shall be deposited in the Bond Fund as and when realized and collected for use and application as are other moneys deposited in that fund; provided, however, that before any excess moneys shall be deposited in the Bond Fund, the Trustee shall first obtain a written verification from a certified public accountant that the moneys remaining on deposit with the Trustee and invested in Government Obligations after such transfer to the Bond Fund shall be sufficient in amount to pay principal and interest on the Bonds when due and payable.

No such deposit under the Indenture shall be made or accepted under the Indenture and no use made of any such deposit unless the Trustee shall have received an opinion of nationally recognized municipal bond counsel to the effect that such deposit and use would not cause any tax-exempt Bonds to be treated as arbitrage bonds within the meaning of Sections 148 of the Code.

Notwithstanding any provision of the Indenture, all moneys or Government Obligations set aside and held in trust pursuant to the provisions of the Indenture for the payment of Bonds (including interest thereon) shall be applied to and used solely for the payment of the particular Bonds (including interest thereon) with respect to which such moneys or Government Obligations have been so set aside in trust.

Anything in the Indenture to the contrary notwithstanding, if moneys or Government Obligations have been deposited or set aside with the Trustee pursuant to the Indenture for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of the Indenture shall be made without the consent of the Registered Owner of each Bond affected thereby.

APPENDIX C

**DEMOGRAPHIC AND ECONOMIC
INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY**

THE CITY

City Population

<u>Year</u>	<u>Population</u>
2020	50,637
2019	48,917
2018	49,130
2017	49,320
2016	49,137
2015	48,999
2014	48,710
2013	48,528
2012	48,184
2011	47,138
2010	46,746

(Source: U.S. Census Bureau. Years 2011 through [2020] are estimates as of July 1 of the year given; 2010 is as of 2010 census.)

Construction Activity

The following table summarizes the value of permit authorized construction for the City for the years shown for both residential and commercial construction.

	<i>Calendar Year</i>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
New Dwelling Units	238	228	240	308	224
New Residential Value (\$000)	56,750.3	\$53,026.1	\$48,085.5	\$61,401.9	\$41,836.3
New Nonresidential Value (\$000)	17,564.0	17,733.5	13,711.3	61,113.6	82,627.3
Additions/Alterations/Repairs Residential Value (\$000)	2,144.7	3,303.0	2,620.5	5,371.9	2,084.9
Additions/Alterations/Repairs Nonresidential Value (\$000)	<u>16,632.3</u>	<u>14,449.9</u>	<u>15,096.1</u>	<u>23,688.3</u>	<u>21,168.9</u>
Total Construction (\$000)	<u>\$93,091.3</u>	<u>\$88,512.5</u>	<u>\$79,513.4</u>	<u>\$151,575.7</u>	<u>\$147,717.4</u>

(Source: University of Utah Bureau of Economic and Business Research.)

SALT LAKE COUNTY

The following demographic information is provided solely as background information regarding Salt Lake County (the “County”). The County is the economic and population center of the State. Based on 2010 Census data, the County has approximately 37% of the total population of the State. The State capital, Salt Lake City, is located in the County.

County and State Population

<u>Year</u>	<u>Salt Lake County</u>	<u>% Change From Prior Period</u>	<u>The State</u>	<u>% Change From Prior Period</u>
2020 Estimate	1,185,238	2.14%	3,217,616	0.36%
2019 Estimate	1,160,437	1.02	3,205,958	1.66
2018 Estimate	1,148,692	1.05	3,153,550	1.69
2017 Estimate	1,136,719	1.48	3,101,042	1.95
2016 Estimate	1,120,109	1.62	3,041,868	2.01
2015 Estimate	1,102,273	1.13	2,981,835	1.53
2014 Estimate	1,090,005	0.98	2,936,879	1.35
2013 Estimate	1,079,392	1.45	2,897,640	1.55
2012 Estimate	1,063,956	1.56	2,853,375	1.39
2011 Estimate	1,047,610	1.74	2,814,384	1.83
2010 Census	1,029,655	—	2,763,885	—

(Source: U.S. Census Bureau; estimates are as of July 1 of the year given.)

Rate of Unemployment – Annual Average

<u>Year</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2020	5.1%	4.7%	8.1%
2019	2.5	2.6	3.7
2018	2.9	3.0	3.9
2017	3.1	3.3	4.4
2016	3.2	3.4	4.9
2015	3.4	3.6	5.3
2014	3.7	3.8	6.2

(Source: Utah Department of Workforce Services and the U.S. Department of Labor.)

Economic Indicators in the County

LABOR FORCE ⁽¹⁾	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Labor Force (annual average)	642,357	634,741	619,396	614,498	601,570
Employed (annual average)	609,766	618,767	601,161	595,348	582,448
Unemployed (annual average)	32,591	15,974	18,235	19,150	19,122
Average Employment (Non-Farm Jobs)	719,784	736,746	717,857	700,449	684,445
% Change Prior Year	-2.30	2.63	2.49	2.34	3.50
<i>Average Employment by Sector:</i>					
Agriculture, Forestry, Fishing & Hunting	350	292	250	220	214
Mining	2,704	2,647	2,853	2,407	2,428
Utilities	2,613	2,738	2,732	2,640	2,578
Construction	46,113	43,016	40,262	38,286	35,996
Manufacturing	56,542	57,834	56,668	56,026	54,544
Wholesale Trade	33,576	32,920	32,076	32,285	32,050
Retail Trade	71,867	74,293	74,279	72,449	72,078
Transportation and Warehousing	45,480	44,364	42,578	39,913	38,710
Information	20,504	20,915	20,393	20,548	19,234
Finance and Insurance	50,364	48,968	48,267	46,974	45,848
Real Estate and Rental and Leasing	11,559	11,606	11,121	10,660	10,250
Professional, Scientific & Technical Services	62,242	60,548	56,728	52,959	51,753
Management of Companies and Enterprises	16,543	16,177	15,878	16,493	16,263
Administrative, Support, Waste Management, & Remediation	50,456	53,399	53,377	52,894	52,921
Education Services	63,782	67,741	66,021	64,794	62,976
Health Care and Social Assistance	81,155	81,706	79,742	79,130	76,892
Arts, Entertainment, and Recreation	8,179	10,932	10,667	10,648	9,995
Accommodation and Food Services	44,593	53,040	51,317	49,477	48,772
Other Services and Unclassified Establishments	20,718	22,642	22,076	21,517	21,303
Public Administration	30,796	31,265	30,824	30,350	29,856
Total Establishments	50,584	48,075	45,856	43,798	42,765
Total Wages (\$Millions)	44,451.7	41,767.0	38,875.7	36,454.8	34,588.9
INCOME AND WAGES	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total Personal Income (\$000) ⁽²⁾	n/a	\$64,341,937	\$60,971,412	\$56,946,401	\$53,946,312
Per Capita Income ⁽²⁾	n/a	55,446	53,079	50,097	48,162
Median Household Income ⁽²⁾	n/a	79,941	73,619	71,396	68,404
Average Monthly Nonfarm Wage ⁽¹⁾	5,146	4,724	4,513	4,337	4,211
SALES & CONSTRUCTION					
Gross Taxable Sales (\$000,000) ⁽³⁾	31,377.7	30,093.2	28,846.0	27,078.0	25,391.5
New Dwelling Units ⁽⁴⁾	10,553	9,798	8,150	6,602	8,363
Total Construction Value (\$000) ⁽⁴⁾	4,043,270.6	3,838,632.5	3,015,289.7	2,899,665.2	3,277,856.5
New Residential Value (\$000) ⁽⁴⁾	1,929,212.7	1,804,752.7	1,470,556.5	1,288,967.8	1,424,930.5
New Nonresidential Value (\$000) ⁽⁴⁾	936,641.6	1,188,464.2	951,421.3	979,451.0	795,901.7

(Sources: (1) Utah Department of Workforce Services; (2) U.S. Department of Commerce, Bureau of Economic Analysis, last updated November 2019; (3) Utah State Tax Commission; (4) University of Utah Bureau of Economic and Business Research.)

Major Employers in the County

The following is a list of some of the largest employers in the County based on annual averages.

<i>Company</i>	<i>Industry</i>	<i>Employment Range</i>
University of Utah	Colleges, Universities, & Professional Schools	20,000+
State of Utah	Government	20,000+
Intermountain Health Care	General Medical & Surgical Hospitals	15,000-19,999
U.S. Government	Government	10,000-14,999
LDS Church Religious Agencies	Religious Organizations	7,000-9,999
Zions Bank	Financial Services	7,000-9,999
Wal-Mart	Warehouse Clubs/Supercenters	7,000-9,999
Granite School District	Public Education	7,000-9,999
Jordan School District	Public Education	5,000-6,999
Salt Lake County	Local Government	5,000-6,999
Canyons School District	Public Education	4,000-4,999
Delta Airlines	Transportation	4,000-4,999
Amazon Fulfillment Services	Delivery Service	3,000-3,999
ARUP Laboratories	Medical Research	3,000-3,999
United Parcel Service	Delivery Service	3,000-3,999
Smiths	Grocery Stores	3,000-3,999
Discover	Financial Services	3,000-3,999
Department of Veterans Affairs	Health Care	3,000-3,999
Salt Lake City School District	Public Education	3,000-3,999
Wells Fargo	Financial Services	3,000-3,999
Salt Lake Community College	Higher Education	3,000-3,999
L3 Technologies	Manufacturing	3,000-3,999
U.S. Postal Service	Postal Service	2,000-2,999
Goldman Sachs	Financial Services	2,000-2,999
McDonalds	Restaurants	2,000-2,999
Utah Transit Authority	Public Transportation	2,000-2,999
Kennecott Utah Copper	Mining	2,000-2,999
Salt Lake City	Local Government	2,000-2,999
Merit Medical Systems	Manufacturing	2,000-2,999
Skywest Airlines	Transportation	2,000-2,999
C.R. England	Delivery Service	2,000-2,999
Jetblue Airways	Transportation	2,000-2,999
Biofire Diagnostics	Medical Research	1,000-1,999
Western Governors University	Higher Education	1,000-1,999
Costco	Warehouse Clubs/Supercenters	1,000-1,999
Mountain America Credit Union	Financial Services	1,000-1,999
Harmons	Grocery Stores	1,000-1,999
Select Health	Insurance Carriers	1,000-1,999
The Home Depot	Construction Materials	1,000-1,999
St Marks Hospital	Health Care	1,000-1,999
Fidelity Brokerage Services	Financial Services	1,000-1,999
Ebay	Online Retail	1,000-1,999
Target	Retail	1,000-1,999
Becton, Dickinson And Company	Manufacturing	1,000-1,999
Overstock Com	Online Retail	1,000-1,999
Healthequity	Insurance	1,000-1,999
Edwards Lifesciences	Manufacturing	1,000-1,999
Sutter Connect	Business Support Services	1,000-1,999
Ultradent Products	Manufacturing	1,000-1,999
Clear Link Technologies	Telecommunications	1,000-1,999
RC Willey Home Furnishings	Retail	1,000-1,999
Snowbird Operations	Outdoor Recreation	1,000-1,999

(Source: Utah Department of Workforce Services; last updated July 2021.)

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Disclosure Undertaking”) is executed and delivered by Murray City, Utah (the “City”), in connection with the issuance by the City of its \$_____ Sales Tax Revenue Bonds, Series 2021 (the “Series 2021 Bonds”). The Series 2021 Bonds are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and other applicable provisions of law; (ii) resolutions adopted on September 7, 2021 and October 5, 2021, by the Municipal Council of the City which provide for the issuance of the Series 2021 Bonds; and (iii) a General Indenture of Trust, dated as of April 1, 2002 (the “General Indenture”), as heretofore amended and supplemented and as further amended and supplemented by a Seventh Supplemental Indenture of Trust dated as of November 1, 2021 (the “Seventh Supplemental Indenture,” and together with the General Indenture, the “Indenture”) each between the City and Zions Bancorporation, National Association, as trustee.

The City hereby acknowledges that it is an “obligated person” within the meaning of the hereinafter defined rule and the only “obligated person” with respect to the Series 2021 Bonds.

In connection with the aforementioned transactions, the City covenants and agrees as follows:

Section 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the City for the benefit of the Bondholders and Beneficial Owners of the Series 2021 Bonds and in order to assist the Participating Underwriter in complying with the Rule (each as defined below).

Section 2. Definitions. In addition to the definitions set forth in the Indenture or parenthetically defined herein, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report of the City” means any Annual Report of the City provided by the City pursuant to, and as described in Sections 3 and 4 of this Disclosure Undertaking.

“Beneficial Owner” shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2021 Bonds (including persons holding Series 2021 Bonds through nominees, depositories or other intermediaries).

“Dissemination Agent” shall mean initially, the City, acting in its capacity as Dissemination Agent hereunder, or any of its successors or assigns.

“Financial Obligation” means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of (a) or (b) in this definition; provided however, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board, the address of which is 1300 I Street, NW, Suite 1000, Washington DC 20005-3314; Telephone (202) 838-1500; Fax (202) 898-1500, and the website address of which is www.msrb.org and www.emma.msrb.org (for municipal disclosures and market data).

“Official Statement” shall mean the Official Statement of the City dated _____, 2021, relating to the Series 2021 Bonds.

“Participating Underwriter” shall mean _____, as original underwriter of the Series 2021 Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The City shall prepare an Annual Report of the City and shall, or shall cause the Dissemination Agent to, not later than six (6) months after the end of each fiscal year of the City (presently June 30), commencing with the fiscal year ending June 30, 2021, provide to the MSRB in an electronic format, the Annual Report of the City which is consistent with the requirements of Section 4 of this Disclosure Undertaking. Not later than fifteen (15) Business Days prior to said date, the City shall provide the Annual Report of the City to the Dissemination Agent. In each case, the Annual Report of the City may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Undertaking; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if they are not available by that date. If the City’s fiscal year changes, it shall give notice of such change in the same manner as for Listed Event under Section 5(f).

(b) If by fifteen (15) Business Days prior to the date specified in Section 3(a) for providing the Annual Report of the City to the MSRB, the Dissemination Agent has not received a copy of the Annual Report of the City, the Dissemination Agent shall contact the City to determine if the City is in compliance with Section 3(a).

(c) If the Dissemination Agent is unable to verify that the Annual Report of the City has been provided to the MSRB by the dates required in Section 3(a), the Dissemination Agent shall, in a timely manner, send a notice of a failure to file the Annual Report to the MSRB in an electronic format.

(d) The Dissemination Agent shall:

(i) determine each year prior to the dates for providing the Annual Report of the City, the website address to which the MSRB directs the Annual Report to be submitted; and

(ii) if the Dissemination Agent is other than an officer of the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided and listing the website address to which it was provided.

Section 4. Content of Annual Reports. The Annual Report of the City shall contain or incorporate by reference the following:

(a) A copy of its annual financial statements prepared in accordance with generally accepted accounting principles and audited by a certified public accountant or a firm of certified public accounts. If the City’s audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report of the City and audited financial statements will be provided within 30 days after availability to the City.

(b) An update of the financial and operating information of the type contained in the Official Statement in the tables under the caption: “SECURITY FOR THE BONDS—Pledged Sales and Use Taxes.”

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City, as appropriate or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The City, as appropriate, shall clearly identify each such other document so incorporated by the reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5(a), the City shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2021 Bonds in a timely manner but not more than ten (10) Business Days after the event:

- (i) Principal and interest payment delinquencies;
- (ii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iii) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (iv) Substitution of credit or liquidity providers, or their failure to perform;
- (v) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2021 Bonds or other material events affecting the tax status of the Series 2021 Bonds;
- (vi) Defeasances;
- (vii) Tender offers;
- (viii) Bankruptcy, insolvency, receivership or similar proceedings;
- (ix) Rating changes; or
- (x) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5(b), the City shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2021 Bonds in a timely manner not more than ten (10) Business Days after the Listed Event, if material:

- (i) Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated persons or their termination;
- (ii) Appointment of a successor or additional trustee or the change of the name of a trustee;
- (iii) Non-payment related defaults;
- (iv) Modifications to the rights of the owners of the Series 2021 Bonds;
- (v) Series 2021 Bond calls;
- (vi) Release, substitution or sale of property securing repayment of the Series 2021 Bonds; or
- (vii) Incurrence of a Financial Obligation of the City or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders.

(c) Whenever the City obtains knowledge of the occurrence of a Listed Event under Section 5(b), whether because of a notice from the Trustee or otherwise, the City shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the City has determined that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the City shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (f).

(e) If the City determines that the Listed Event under Section 5(b) would not be material under applicable federal securities laws, the City shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by the City to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB in an electronic format in a timely manner not more than ten (10) Business Days after the Listed Event.

Section 6. Termination of Reporting Obligation. The City's obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2021 Bonds. If such termination occurs prior to the final maturity of the Series 2021 Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(f).

Section 7. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the City shall be the Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the City may amend this Disclosure Undertaking and any provision of this Disclosure Undertaking may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an "obligated person" (as defined in the Rule) with respect to the Series 2021 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2021 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Series 2021 Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Series 2021 Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Undertaking, the City shall describe such amendment in the next Annual Report of the City, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City, as applicable. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(f), and (ii) the Annual Disclosure Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking.

If the City chooses to include any information in any Annual Disclosure Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Undertaking, the City shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the City or the Dissemination Agent to comply with any provision of this Disclosure Undertaking, any Bondholder or Beneficial Owner of the Series 2021 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City or Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an “event of default” under the Indenture, and the sole remedy under this Disclosure Undertaking in the event of any failure of the City or the Dissemination Agent to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 11. Duties Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Undertaking, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys’ fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent’s gross negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2021 Bonds.

Section 12. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the Holders and Beneficial Owners from time to time of the Series 2021 Bonds, and shall create no rights in any other person or entity.

Date: _____, 2021.

MURRAY CITY, UTAH

By: _____
Mayor

APPENDIX E

FORM OF OPINION OF BOND COUNSEL

Upon the issuance of the Series 2021 Bonds, Gilmore & Bell, P.C., Bond Counsel to the City, proposes to issue its approving opinion in substantially the following form.

We have acted as bond counsel to Murray City, Utah (the “Issuer”) in connection with the issuance by the Issuer of its \$_____ Sales Tax Revenue Bonds, Series 2021 (the “Series 2021 Bonds”). The Series 2021 Bonds are being issued pursuant to (i) resolutions of adopted on September 7, 2021 and October 5, 2021, by the Municipal Council of the Issuer which provide for the issuance of the Series 2021 Bonds and (ii) a General Indenture of Trust dated as of April 1, 2002, as previously amended and supplemented (the “General Indenture”), and as further amended and supplemented by a Seventh Supplemental Indenture of Trust dated as of November 1, 2018 (the “Seventh Supplemental Indenture” and collectively with the General Indenture, the “Indenture”), each between the Issuer and Zions Bancorporation, National Association, as trustee. The proceeds of the Series 2021 Bonds will be used by the Issuer to (i) finance public transportation and road improvements and other related improvements and (ii) pay costs of issuance of the Series 2021 Bonds.

Our services as bond counsel have been limited to the preparation of the legal proceedings and supporting certificates authorizing the issuance of the Series 2021 Bonds under the applicable laws of the State of Utah and to a review of the transcript of such proceedings and certificates. As to questions of fact material to our opinion, we have relied upon certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation. Our examination has been limited to the foregoing as they exist or are in effect as of the date hereof. Our opinion is limited to the matters expressly set forth herein, and we express no opinion concerning any other matters.

Based on our examination and the foregoing, we are of the opinion, as of the date hereof and under existing law, as follows:

1. The Indenture has been authorized, executed and delivered by the Issuer, constitutes a valid and binding obligation of the Issuer, and creates a valid lien on the Revenues (as defined in the Indenture) and the other amounts pledged thereunder for the security of the Series 2021 Bonds.

2. The Series 2021 Bonds are valid and binding special obligations of the Issuer payable solely from the Revenues (as defined in the Indenture) and other amounts pledged therefor in the Indenture, and the Series 2021 Bonds do not constitute a general obligation indebtedness of the Issuer within the meaning of any State of Utah constitutional provision or statutory limitation, nor a charge against the full faith and credit or taxing power of the Issuer.

3. The interest on the Series 2021 Bonds [(including any original issue discount properly allocable to an owner thereof)] (i) is excludable from gross income for federal income tax purposes and (ii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2021 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Series 2021 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2021 Bonds.

4. The interest on the Series 2021 Bonds is exempt from State of Utah individual income taxes.

We express no opinion herein regarding the accuracy, completeness or sufficiency of the Official Statement or any other offering material relating to the Series 2021 Bonds.

The rights of the holders of the Series 2021 Bonds and the enforceability thereof and of the documents identified in this opinion may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent

conveyance, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent applicable, and their enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

Respectfully submitted,

APPENDIX F

PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Series 2021 Bonds. The Series 2021 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2021 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC or its agent.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2021 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2021 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2021 Bonds, except in the event that use of the book-entry system for the Series 2021 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2021 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2021 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2021 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2021 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2021 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2021 Bonds may wish to ascertain

that the nominee holding the Series 2021 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the Series 2021 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2021 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2021 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2021 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2021 Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

RESOLUTION NO. _____

A RESOLUTION OF THE MUNICIPAL COUNCIL OF MURRAY CITY, UTAH AUTHORIZING A PRELIMINARY OFFICIAL STATEMENT, AN OFFICIAL STATEMENT REQUIRED IN CONNECTION WITH THE ISSUANCE AND SALE OF NOT MORE THAN \$6,750,000 AGGREGATE PRINCIPAL AMOUNT OF SALES TAX REVENUE BONDS, SERIES 2021; AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, by resolution adopted on September 7, 2021 (the “Parameters Resolution”) the Municipal Council (the “Council”) of Murray City, Utah (the “City”) approved the issuance by the City of its Sales Tax Revenue Bonds, Series 2021 (the “Series 2021 Bonds”) (to be issued in one or more series and with such other series or title designation(s) as may be determined by the City) to finance public transportation and road improvements and other related improvements; and

WHEREAS, the City desires to authorize the use and distribution of a preliminary official statement relating to the Series 2021 Bonds (the “Preliminary Official Statement”) in substantially the form attached hereto as Exhibit B, and to approve a final official statement (the “Official Statement”) in substantially the form as the Preliminary Official Statement, and other documents relating thereto;

NOW, THEREFORE BE IT RESOLVED by the Municipal Council of Murray City, Utah, as follows:

Section 1. The City hereby authorizes the utilization of the Preliminary Official Statement in the form attached hereto as Exhibit B in the marketing of the Series 2021 Bonds and hereby approves the Official Statement in substantially the same form as the Preliminary Official Statement.

Section 2. Pursuant to the Parameters Resolution and this resolution, the City hereby grants and further gives authority to any one of the Mayor (including his/her designee or any Mayor pro tem) or the Finance Director of the City (each a “Designated Officer”), the authority to make any alterations, changes or additions to the Preliminary Official Statement, the Official Statement, or any other document which may be necessary to conform the same to the final terms of the Series 2021 Bonds (within the parameters set by the Parameters 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 Council or the provisions of the laws of the State of Utah or the United States.

Section 3. 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 October 5, 2021.

(SEAL)

By: _____
Chair

ATTEST:

By: _____
City Recorder

(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)

By: _____
Chair

ATTEST:

By: _____
City Recorder

EXHIBIT A

CERTIFICATE OF RESOLUTION OF MUNICIPAL COUNCIL

EXHIBIT B

FORM OF PRELIMINARY OFFICIAL STATEMENT



MURRAY
CITY COUNCIL

Business Item #2



MURRAY


Finance & Administration

Add section 03.04.095 to the Murray City Code to allow for utility payment assistance

Council Action Request

Council Meeting

Meeting Date: October 5, 2021

Department Director Brenda Moore	Purpose of Proposal Allow the City to work with other government or nonprofit organizations to provide utility payment assistance.
Phone # 801-264-2513	Action Requested Consideration of Ordinance
Presenters Brenda Moore	Attachments Draft of the ordinance
	Budget Impact
Required Time for Presentation	Description of this Item There are multiple government agencies and nonprofit entities that provide utility assistance for low-income households. The proposed ordinance modification would enable the city to work with these organizations by authorizing the Mayor to enter into agreements and allowing the finance director to waive the deposit requirement. Finance staff does not anticipate that waiving deposits occasionally would significantly increase utility write-offs.
Is This Time Sensitive No	
Mayor's Approval 	
Date September 21, 2021	

ORDINANCE NO. ____

AN ORDINANCE ENACTING SECTION 03.04.095 OF THE MURRAY CITY MUNICIPAL CODE OF THE CITY CODE RELATING TO PROVISIONS ALLOWING FOR GOVERNMENT OR NONPROFIT UTILITY PAYMENT ASSISTANCE.

PREAMBLE

The City is aware that households with the lowest incomes often pay a higher proportion of their household income for home utilities, including electricity, water and sewer services. The City seeks to help promote the general health and welfare of its citizens by facilitating utility service for those who qualify for government and nonprofit payment assistance. The purpose of this ordinance is to authorize the City to work with other government and nonprofit agencies to help assist low-income households with the payment of utility bills.

BE IT ORDAINED BY THE MURRAY CITY MUNICIPAL COUNCIL:

Section 1. Purpose. The purpose of this Ordinance is to enact section 03.04.095 relating to provisions allowing for government or nonprofit utility payment assistance.

Section 2. Enact section 03.04.095. Section 03.04.095 of the Murray City Municipal Code shall be enacted as follows:

03.04.095: GOVERNMENT OR NONPROFIT UTILITY PAYMENT ASSISTANCE

- A. The City is authorized to work with and receive payments from any governmental or nonprofit agency providing utility payment assistance for low-income households.
- B. The Mayor is approved and authorized to enter into any agreements with governmental or nonprofit agencies providing utility payment assistance to low-income households that the Mayor determines is in the best interest of the City.
- C. The Director of Finance and Administration is authorized to waive utility account security deposits for low-income households pursuant to any agreement entered into in accordance with section B above, or during the period of time a governmental or nonprofit agency assists such low-income household with the payment for utility services.

Section 3. Effective date. This Ordinance shall take effect upon first publication.

PASSED, APPROVED AND ADOPTED by the Murray City Municipal Council on
this ____ day of _____, 2021

MURRAY CITY MUNICIPAL COUNCIL

Diane Turner, Chair

ATTEST:

Brooke Smith, City Recorder

Transmitted to the Office of the Mayor of Murray City on this ____ day of
_____, 2021.

MAYOR'S ACTION: Approved

DATED this ____ day of _____, 2021.

D. Blair Camp, Mayor

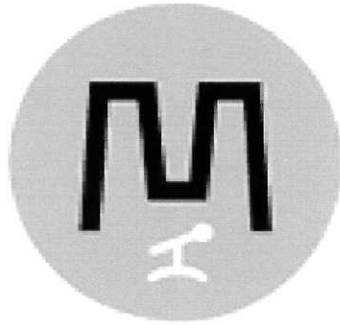
ATTEST:

Brooke Smith, City Recorder

CERTIFICATE OF PUBLICATION

I hereby certify that this Ordinance or a summary hereof was published according to law on the ____ day of _____, 2021.

Brooke Smith, City Recorder



MURRAY
CITY COUNCIL

Mayor's Report And Questions



MURRAY
CITY COUNCIL

Adjournment