

**AMENDED AND RESTATED GOVERNING DOCUMENT
FOR**

**OLYMPIA PUBLIC INFRASTRUCTURE DISTRICT NOS. 1 THROUGH 7
HERRIMAN, UTAH**

Prepared

by

Gilmore & Bell, P.C.
~~15 West South Temple, Suite 1450~~
Salt Lake City, Utah ~~84101~~

_____, ~~2021~~2023

TABLE OF CONTENTS

I.	INTRODUCTION	1
A.	Purpose and Intent.	1
B.	Need for the Districts.	1
C.	Objective of the City Regarding Districts' Governing Document.	1
II.	DEFINITIONS	2
III.	BOUNDARIES	4
IV.	PROPOSED LAND USE	4
V.	DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES	5
A.	Powers of the Districts and Governing Document Amendment.	5
1.	Operations and Maintenance Limitation	5
2.	Prohibition on Ad Valorem Property Taxes	5
3.	Construction Standards Limitation	5
4.	Procurement.	5
5.	Privately Placed Debt Limitation.	5
6.	Annexation and Withdrawal.	6
7.	Overlap Limitation.	6
8.	Initial Debt.	6
9.	Total Debt Issuance Limitation	6
10.	Bankruptcy Limitation.	6
11.	Governing Document Amendment Requirement	7
B.	Preliminary Engineering Survey	7
C.	Multiple District Structure.	7
VI.	THE BOARD OF TRUSTEES	8
A.	Board Composition.	8
B.	Future Board Composition.	8
C.	Reelection and Reappointment.	8
D.	Vacancy.	8
E.	Compensation.	8
F.	Conflicts of Interest.	9
VII.	REGIONAL IMPROVEMENTS	9
VIII.	FINANCIAL PLAN	9
A.	General.	9
B.	Maximum Voted Interest Rate and Maximum Underwriting Discount.	9
C.	Limitations on Fees and Assessments.	9
D.	Maximum Bond Term.	10
E.	Debt Repayment Sources.	10
F.	Debt Instrument Disclosure Requirement.	10
G.	Security for Debt.	10
H.	Districts' Operating Costs.	11

I.	Bond and Disclosure Counsel.....	11
IX.	ANNUAL REPORT.....	11
A.	General.....	11
B.	Reporting of Significant Events.....	11
X.	DISSOLUTION.....	12
XI.	DISCLOSURE TO PURCHASERS.....	12
XII.	INTERLOCAL AGREEMENT.....	13
I.	INTRODUCTION	1
A.	Purpose and Intent.	1
B.	Need for the Districts.....	1
C.	Objective of the City Regarding Districts’ Governing Document.	1
II.	DEFINITIONS	2
III.	BOUNDARIES.....	5
IV.	PROPOSED LAND USE	5
V.	DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES	5
A.	Powers of the Districts and Governing Document Amendment.	5
1.	Operations and Maintenance Limitation	6
2.	Reserved	6
3.	Construction Standards Limitation	6
4.	Procurement.....	6
5.	Privately Placed Debt Limitation.....	6
6.	Annexation and Withdrawal.	6
7.	Overlap Limitation.....	7
8.	Initial Debt.....	7
9.	No Debt Issuance Limitation	7
10.	Bankruptcy Limitation.....	7
11.	Governing Document Amendment Requirement	8
B.	Preliminary Engineering Survey.....	8
C.	Multiple District Structure.....	8
VI.	THE BOARD OF TRUSTEES.....	9
A.	Board Composition.....	9
B.	Future Board Composition.	9
C.	Reelection and Reappointment.....	9
D.	Vacancy.	9
E.	Compensation.	9
F.	Conflicts of Interest.	9
VII.	REGIONAL IMPROVEMENTS	9

VIII.	FINANCIAL PLAN	10
A.	General.....	10
B.	Maximum Voted Interest Rate and Maximum Underwriting Discount.	10
C.	Limitations on Fees and Assessments.	10
D.	Maximum Debt Mill Levy.....	11
E.	Maximum Debt Mill Levy Imposition Term.....	11
F.	Debt Repayment Sources.....	11
G.	Debt Instrument Disclosure Requirement.	11
H.	Security for Debt.....	12
I.	Districts’ Operating Costs.....	12
J.	Bond and Disclosure Counsel.....	12
IX.	ANNUAL REPORT	12
A.	General.....	12
B.	Reporting of Significant Events.....	12
X.	DISSOLUTION	13
XI.	DISCLOSURE TO PURCHASERS.....	14
XII.	INTERLOCAL AGREEMENT.....	14

LIST OF EXHIBITS

EXHIBIT A	Legal Descriptions
EXHIBIT B	Herriman City Vicinity Map
EXHIBIT C	Initial District and Annexation Boundaries Map
EXHIBIT D	Interlocal Agreement between the District and Herriman City

I. INTRODUCTION

A. Purpose and Intent.

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

B. Need for the Districts.

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

C. Objective of the City Regarding Districts' Governing Document.

This Governing Document amends and restates the Governing Document for the City approved on September 29, 2021 in its entirety.

The City's objective in approving the Governing Document for the Districts is to authorize the Districts to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements from the proceeds of Debt to be issued by one or both of the Districts (or interlocal entity formed by the Districts). All Debt is expected to be repaid by ~~feestaxes~~ imposed and collected for no longer than the Maximum Debt Mill Levy Imposition Term and at a tax mill levy no higher than the Maximum Debt Mill Levy, and/or fees and Assessments. Debt which is issued within these parameters will ~~ensure there are no ongoing~~ insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Governing Document is intended to establish a limited purpose for the Districts and explicit financial constraints that are not to be violated under any circumstances. The primary purpose is to provide for the Public Improvements associated with development and regional needs. Operational activities are allowed, but only through an Interlocal Agreement with the City or other relevant public entity with written consent of the City.

It is the intent of the Districts to dissolve upon payment or defeasance of all Debt incurred or upon a determination that adequate provision has been made for the payment of all Debt of such District, collected or assigned all Fees payable to such District, disbursed of all

assets of such District, and if the District has authorized operating functions under an Interlocal Agreement, to retain only the power necessary to impose and collect Fees to pay for these costs.

The Districts shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from Assessments or ~~Fees from tax revenues~~ collected ~~from a mill levy which shall not exceed the Maximum Debt Mill Levy on District taxable properties, and which shall not exceed the Maximum Debt Mill Levy Imposition Term on taxable properties (or repaid from a combination of Fees, Assessments or a mill levy).~~ It is the intent of this Governing Document that ~~no property taxes are levied by the Districts and that~~ Fees be paid at or before the issuance of a building permit by the ~~city~~ City and to assure to the extent possible that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy in amount and that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy Imposition Term in duration even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters are not costs to be paid by the Districts.

II. DEFINITIONS

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

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

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

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

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

Board: means the board of trustees of one District or the boards of trustees of all Districts, in the aggregate.

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

C-PACE Act: means title 11, Chapter 42a of the Utah Code, as amended from time to time.

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

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

City: means Herriman, Utah.

City Code: means the City Code of Herriman, Utah.

County Council: means the City Council of Herriman, Utah.

District: means any one of the Olympia Public Infrastructure District Nos. 1 through 7.

District Act: means the Local District Act and the PID Act.

District No. 1: means the Olympia Public Infrastructure District No. 1.

District No. 2: means the Olympia Public Infrastructure District No. 2.

District No. 3: means the Olympia Public Infrastructure District No. 3.

District No. 4: means the Olympia Public Infrastructure District No. 4.

District No. 5: means the Olympia Public Infrastructure District No. 5.

District No. 6: means the Olympia Public Infrastructure District No. 6.

District No. 7: means the Olympia Public Infrastructure District No. 7.

Districts: means District No. 1, District No. 2, District No. 3, District No. 4, District No. 5, District No. 6, and District No. 7.

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

End User: means any owner, or tenant of any owner, of any improvement within the Districts, who is intended to become the ultimate user of such improvement. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an End User. The business entity that constructs homes or commercial structures is not an End User.

Fees: means one or more fees imposed by any District for the payment of costs of administering the Districts, acquiring, improving, constructing, enlarging, or extending improvements, facilities, or property or issuing bonds and paying debt service on district bonds pursuant to Section 17D-4-302 of the PID Act or Section 17B-1-103(j) of the Local District Act.

Financial Plan: means the Financial Plan described in Section VIII which describes (i) the potential means whereby the Public Improvements may be financed; (ii) how the

Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes or Fees for the first budget year.

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

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

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

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

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

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

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

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

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

Municipal Advisor: means a consultant that: (i) advises Utah governmental entities on matters relating to the issuance of securities by Utah governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (iii) is not an officer or employee of the District and has not been otherwise engaged to provide services in connection with the transaction related to the applicable Debt.

Project: means the development or property commonly referred to as Olympia.

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

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as

generally described in the Local District Act to serve the future property owners and inhabitants of the District Area as determined by the Board.

Regional Improvements: means Public Improvements and facilities that benefit the District Area and which are to be financed pursuant to Section VII below.

State: means the State of Utah.

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

Trustee: means a member of the Board.

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

III. BOUNDARIES

The area of the Initial District Boundaries includes approximately 0.537 acres, comprised of 0.111 acres for District No. 1 and 0.071 acres for District Nos. 2 through 7. The Annexation Area Boundaries includes approximately 939.283 acres and includes the Initial District Boundaries. A legal description of the Initial District Boundaries and the Annexation Area Boundaries is attached hereto as **Exhibit A**. A vicinity map is attached hereto as **Exhibit B**. A map of the Initial District Boundaries and Annexation Area Boundaries is attached hereto as **Exhibit C**. It is anticipated that the District's boundaries may change from time to time as it undergoes annexations and withdrawals pursuant to Section 17B-4-201, Utah Code, subject to Article V below.

IV. PROPOSED LAND USE

The District Area consists of approximately 939 acres of undeveloped land. Approval of this Governing Document by the City does not imply approval of the development of a specific area within the Districts, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Governing Document or any of the exhibits attached thereto, unless the same is separately approved by the City in accordance with the City Code.

V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES

A. Powers of the Districts and Governing Document Amendment.

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

1. Operations and Maintenance Limitation. The purpose of the Districts is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. The Districts shall dedicate the Public Improvements to the City or

other appropriate public entity or owners association in a manner consistent with the development agreement and other rules and regulations of the City and applicable provisions of the City Code. The Districts shall be authorized, but not obligated, to own, operate and maintain Public Improvements not otherwise required to be dedicated to the City or other public entity.

~~Prohibition on Ad Valorem Property Taxes. The Districts are not permitted under any circumstance to issue General Obligation Debt, Limited Tax Debt, or any other debt that is payable from or secured by ad valorem property taxes of a District. In addition, the Districts are not permitted to impose any ad valorem property taxes for any purpose.~~

2. Reserved.

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

4. Procurement. The Districts shall be subject to the Utah Procurement Code, Title 63G, Chapter 6a. Notwithstanding this requirement, the Districts may acquire completed or partially completed improvements for fair market value as reasonably determined by any one of a surveyor or engineer that such District employs or engages to perform the necessary engineering services for and to supervise the construction or installation of the improvements.

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

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

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

6. Annexation and Withdrawal.

(a) The Districts shall not include within any of their boundaries any property outside the District Area without the prior written consent of the City. The City, by

approval of this Governing Document, has consented to the annexation of any area within the Annexation Area Boundaries into any of the Districts. Such area may only be annexed upon such District obtaining consent of all property owners and registered voters, if any, within the area proposed to be annexed and the passage of a resolution of such District's Board approving such annexation.

(b) The City, by approval of this Governing Document, has consented to the withdrawal of any area within the District Boundaries from any of the Districts. Such area may only be withdrawn upon such District obtaining consent of all property owners and registered voters, if any, within the area proposed to be withdrawn and the passage of a resolution of such District's Board approving such annexation.

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

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

(e) Annexation or withdrawal of any area in accordance with V.A.6(a) and (b) shall not constitute an amendment of this Governing Document.

7. Overlap Limitation. ~~The boundaries of the Districts may overlap.~~

The boundaries of the Districts shall not overlap unless the aggregate mill levy for payment of Debt of the overlapping Districts will not at any time exceed the Maximum Debt Mill Levy of the Districts. Additionally the Districts shall not consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the Districts unless the aggregate mill levy for payment of Debt of such proposed districts will not at any time exceed the Maximum Debt Mill Levy of the Districts.

8. Initial Debt. Upon the issuance of a certificate of creation of a District issued by the Office of the Lieutenant Governor of the State of Utah, such District shall be permitted to: (a) issue Debt and/or (b) impose a mill levy for the payment of Debt and collect Fees and Assessments for the purpose of repayment of Debt.

9. No Debt Issuance Limitation. So long as Debt is issued in accordance with the provisions of this Governing Document, there is no limit to the amount of Debt that may be issued by any District.

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

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

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

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

11. Governing Document Amendment Requirement.

(a) This Governing Document has been designed with sufficient flexibility to enable the Districts to provide required facilities under evolving circumstances without the need for numerous amendments. Actions of the Districts which violate the limitations set forth in V.A.1-9 above or in VIII.B-G. shall be deemed to be material modifications to this Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the Districts.

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

B. Preliminary Engineering Survey.

The Districts shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of the Districts, as specified application materials relating to the Districts and as may be further defined in a development agreement. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the District Area and is approximately Three Hundred Ninety-Six Million Dollars (\$396,000,000).

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

C. Multiple District Structure.

It is anticipated that the Districts, collectively, will undertake the financing and construction of the Public Improvements. The nature of the functions and services to be provided by each District ~~shall~~ may be clarified in an interlocal agreement between and among the Districts. All such agreements will be designed to help assure the orderly development of the

Public Improvements and essential services in accordance with the requirements of this Governing Document. ~~Implementation of such interlocal agreement is essential to the orderly implementation of this Governing Document. Accordingly, any determination of any Board to set aside said interlocal agreement without the consent of all of the Districts shall be a material modification of the Governing Document.~~ Said interlocal agreement may be amended by mutual agreement of the Districts without the need to amend this Governing Document.

VI. THE BOARD OF TRUSTEES

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

B. Future Board Composition.

1. Districts without Registered Voters. So long as there are no registered voters within a District, the respective board seats for such District shall continue to be appointed by the City from the candidates recommended by owners of land within such District and comprised of owners of land or their agents and officers who are registered voters at their principal residence.

2. Districts with Registered Voters: Prior to the issuance of Bonds by a District anticipated to have Registered Voters, such District shall estimate the number of certificates of occupancy to be issued by the City within such District (the "Estimated COO"). Upon attainment of the Estimated COO, the respective board seats for such District's Board shall transition from appointed to elected seats following the expiration of the then current term for such Board member. Seats on the Board may transition prior to attainment of the Estimated COO if approved in a resolution adopted by such Board.

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

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

E. Compensation. Unless otherwise permitted by the PID Act, only Trustees who are residents of the District may be compensated for services as Trustee. Such compensation shall be in accordance with State Law.

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

VII. REGIONAL IMPROVEMENTS

The Districts shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements.

VIII. FINANCIAL PLAN

A. General.

The Districts shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from their revenues and by and through the proceeds of Debt to be issued by ~~the Districts such District.~~ In addition, the Districts shall be permitted to finance the prepayment of impact fees for the Project. The Financial Plan for the Districts shall be to issue such Debt as the Districts can reasonably pay within the Maximum ~~Bond~~ Debt Mill Levy Imposition Term from revenues derived from the ~~Fees~~ Maximum Debt Mill Levy, Assessments, or both, and other legally available revenues. So long as Debt is issued in accordance with the provisions of this Governing Document, there is no limit to the amount of Debt that may be issued by any District. ~~All~~ The total Debt shall be permitted to be issued on a schedule and in such year or years as the Districts determine shall meet the needs of the Financial Plan referenced above and phased to serve development as it occurs. All bonds and other Debt issued by the Districts may be payable from any and all legally available revenues of the Districts, including general ad valorem taxes to be imposed upon all Taxable Property within the District, Fees, and Assessments. ~~The Districts are not permitted to impose any ad valorem property taxes for the payment of Debt or any other purpose. The Districts will~~ District may also rely upon various other revenue sources authorized by law. These will include the power to assess Fees, penalties, or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time.

B. Maximum Voted Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed eighteen percent (18%). The proposed maximum underwriting discount will be five percent (5%). Debt, when issued, will comply with all relevant requirements of this Governing Document, State law and Federal law as then applicable to the issuance of public securities.

C. Limitations on Fees and Assessments.

(a) All Fees and Assessments (other than C-PACE Assessments ~~under Title 11, Chapter 42a, Utah Code~~) imposed by any District on a parcel shall be payable at or

before the issuance of a building permit by the City with respect to such Parcel. So long as Fees are not passed on to End Users, there is no maximum amount of Fees that may be imposed by a District, provided that all such fees shall be related to administrative expenses of the District, the provision of Public Improvements, and debt service on Bonds relating thereto.

(b) Any Assessments issued under the C-PACE Act may be repayable in accordance with the provisions of such statute.

(c) The City agrees to collect Fees and remit such Fees to the Districts on at least a monthly basis and further agrees that any building permit issued within the boundaries of a District will require proof of payment of Fees and sign off by such District. Additional procedures regarding the collection and remittance of Fees may be established by interlocal agreement between the City and such District(s).

D. Title 11, Chapter 42a, Maximum Debt Mill Levy.

(a) The “Maximum Debt Mill Levy” shall be the maximum mill levy the Districts are permitted to impose upon the taxable property within the District for payment of Limited Tax Debt shall be 0.004 per dollar of taxable value of taxable property in the District; provided that such levy shall be subject to adjustment as provided in Section 17D-4-301(8), Utah Code.~~may be repayable in accordance with the provisions of such statute.~~

~~(b) The City agrees to collect Fees and remit such Fees to the Districts on at least a monthly basis and further agrees that any building permit issued within the boundaries of a District will require proof of payment of Fees and sign off by such District. Additional procedures regarding the collection and remittance of Fees may be established by interlocal agreement between the City and such District(s).~~

(a) Maximum Bond.

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

D.E. Maximum Debt Mill Levy Imposition Term. Each bond issued by the ~~Districts~~District shall mature within ~~thirty-one~~Thirty-One (31) years from the date of issuance of such bond; ~~in.~~ In addition, no mill levy may be imposed for the repayment of a series of bonds of a District repayable after a period exceeding Forty (40) years from Fees shall be deemed discharged at such time as there is no longer any Fees outstanding relating to the first date of imposition of the mill levy for such bonds~~bond~~ (the “Maximum ~~Bond~~Debt Mill Levy Imposition Term”).

E.F. Debt Repayment Sources.

F.G. Debt Repayment Sources.

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

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

G.H. Debt Instrument Disclosure Requirement.

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

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

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

H.I. Security for Debt.

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

I.J. Districts' Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the Districts' organization and initial operations, are anticipated to be [Two Hundred Fifty Thousand Dollars (\$250,000)], which will be eligible for reimbursement from Debt proceeds.

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

J.K. Bond and Disclosure Counsel.

It is the intent of the City that the Districts shall use competent and nationally recognized bond and disclosure counsel with respect to District Bonds to ensure proper issuance and compliance with this Governing Document. The Districts have agreed to utilize the City's counsel, Gilmore & Bell, P.C., as bond and disclosure counsel with respect to District Bonds.

IX. ANNUAL REPORT

A. General.

Each of the District shall be responsible for submitting an annual report to the City Manager's Office no later than 210 days following the end of such District's fiscal year, beginning with fiscal year ~~2022~~2023.

B. Reporting of Significant Events.

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

1. Boundary changes made or proposed to the District's boundary as of the last day of the prior fiscal year, if changed.
2. List of current interlocal agreements, if changed (to be delivered to the Creating Entity upon request);
3. Names and terms of Board members and officers; the Estimated COO for such District, if changed; and progress towards milestones required for transition to elected Board;
4. District office contact information, if changed;
5. Rules and regulations of the District regarding bidding, conflict of interest, contracting, and other governance matters, if changed;
6. A summary of any litigation which involves the District Public Improvements as of the last day of the prior fiscal year, if any;

7. Status of the District's construction of the Public Improvements as of December 31 of the prior year and listing all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of the last day of the prior fiscal year;

8. A list or table of all Fees or Assessments imposed by the District, if changed;

9. A table summarizing total debt issued by the District as well as any presently planned debt issuances;

10. Official statements of current outstanding bonded indebtedness, if not previously provided to the City;

11. Current year budget including a description of the Public Improvements to be constructed in such year;

12. Financial statements of the District for the most recent completed fiscal year (such statements shall be audited if required by bond documents or statute);

13. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument; and

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

X. DISSOLUTION

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

XI. DISCLOSURE TO PURCHASERS

Within thirty (30) days of the Office of the Lieutenant Governor of the State of Utah issuing a certificate of creation, each Board shall record a notice with the recorder of Herriman City. Such notice shall (a) contain a description of the boundaries of the District;² (b) state that a copy of this Governing Document is on file at the office of the City;~~and;~~ (c) state that the District may finance and repay infrastructure and other improvements through the ~~imposition~~levy of ~~Fees and Assessments; and a property tax;~~ (d) state the Maximum Debt Mill Levy of the District; and (e) if applicable, state that the District is not authorized debt may convert to impose any property taxes-general obligation debt and outline the provisions relating to conversion. Such notice shall further be ~~filled~~filed with the City.

In addition, the Applicant and the Board shall ensure that the Applicant, commercial developers, and commercial lessors, as applicable, disclose the following information to End Users:

(1) All of the information in the first paragraph of this XI;

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

“Under the maximum property tax rate of the District, **for every \$100,000 of taxable value**, there would be an **additional annual property tax of \$400** for the duration of the District’s Bonds.”

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

XII. INTERLOCAL AGREEMENT

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

EXHIBIT A

Legal Descriptions

Olympia Public Infrastructure District No. 1

Beginning at a point being South 00°24'18" West 1,004.67 feet along the section line and West 2,949.22 feet from the Northeast Section of 32, Township 3 South, Range 2 West, Salt Lake Base and Meridian; and running

thence South 18°46'09" East 100.00 feet;
thence South 71°13'51" West 65.40 feet to the Northeast Right-of-Way Line of State Route-111 (SR-111), also known as Bacchus Highway;
thence North 00°09'20" East 105.71 feet along said Northeast Right-of-Way Line of SR-111;
thence North 71°13'51" East 31.11 feet to the point of beginning.

Contains 4,826 Square Feet or 0.111 Acres

Olympia Public Infrastructure District No. 2

Beginning at a point being South 00°24'18" West 994.66 feet along the section line and West 2,919.83 feet from the Northeast Section of 32, Township 3 South, Range 2 West, Salt Lake Base and Meridian; and running

thence South 18°46'09" East 100.00 feet;
thence South 71°13'51" West 31.11 feet;
thence North 18°46'09" West 100.00 feet;
thence North 71°13'51" East 31.11 feet to the point of beginning.

Contains 3,111 Square Feet or 0.071 Acres

Olympia Public Infrastructure District No. 3

Beginning at a point being South 00°24'18" West 984.64 feet along the section line and West 2,890.44 feet from the Northeast Section of 32, Township 3 South, Range 2 West, Salt Lake Base and Meridian; and running

thence South 18°46'09" East 100.00 feet;
thence South 71°13'51" West 31.11 feet;
thence North 18°46'09" West 100.00 feet;
thence North 71°13'51" East 31.11 feet to the point of beginning.

Contains 3,111 Square Feet or 0.071 Acres

Olympia Public Infrastructure District No. 4

Beginning at a point being South 00°24'18" West 974.63 feet along the section line and West 2,861.05 feet from the Northeast Section of 32, Township 3 South, Range 2 West, Salt Lake Base and Meridian; and running

thence South 18°46'09" East 100.00 feet;
thence South 71°13'51" West 31.11 feet;
thence North 18°46'09" West 100.00 feet;
thence North 71°13'51" East 31.11 feet to the point of beginning.

Contains 3,111 Square Feet or 0.071 Acres

Olympia Public Infrastructure District No. 5

Beginning at a point being South 00°24'18" West 964.62 feet along the section line and West 2,831.67 feet from the Northeast Section of 32, Township 3 South, Range 2 West, Salt Lake Base and Meridian; and running

thence South 18°46'09" East 100.00 feet;
thence South 71°13'51" West 31.11 feet;
thence North 18°46'09" West 100.00 feet;
thence North 71°13'51" East 31.11 feet to the point of beginning.

Contains 3,111 Square Feet or 0.071 Acres

Olympia Public Infrastructure District No. 6

Beginning at a point being South 00°24'18" West 954.61 feet along the section line and West 2,802.28 feet from the Northeast Section of 32, Township 3 South, Range 2 West, Salt Lake Base and Meridian; and running

thence South 18°46'09" East 100.00 feet;
thence South 71°13'51" West 31.11 feet;
thence North 18°46'09" West 100.00 feet;
thence North 71°13'51" East 31.11 feet to the point of beginning.

Contains 3,111 Square Feet or 0.071 Acres

Olympia Public Infrastructure District No. 7

Beginning at a point being South 00°24'18" West 944.60 feet along the section line and West 2,772.89 feet from the Northeast Section of 32, Township 3 South, Range 2 West, Salt Lake Base and Meridian; and running

thence South 18°46'09" East 100.00 feet;
thence South 71°13'51" West 31.11 feet;
thence North 18°46'09" West 100.00 feet;
thence North 71°13'51" East 31.11 feet to the point of beginning.

Contains 3,111 Square Feet or 0.071 Acres

Annexation Area

Olympia Property – Overall Parcel

A parcel of land, situate in parts of Sections 27, 32, 33 and 34, Township 3 South, Range 2 West, Salt Lake Base and Meridian, U.S. Survey, more particularly described as follows:

Beginning at the Northeast Corner of Section 33, Township 3 South, Range 2 West, Salt Lake Base and Meridian; and running

thence North 00°41'26" East 1,324.02 feet along the section line to the Northeast Corner of the Southwest Quarter of the Southwest Quarter of Section 27, Township 3 South, Range 2 West, Salt Lake Base and Meridian;

thence South 89°30'42" East 2,657.98 feet along the 1/16 section line to the Northeast Corner of the Southeast Quarter of the Southwest Quarter of said Section 27;

thence South 00°28'09" West 1,324.47 feet along the quarter section line to the South Quarter Corner of said Section 27;

thence South 89°30'06" East 2,664.00 feet along the section line to the Southeast Corner of said Section 27;

thence South 89°48'53" East 641.53 feet along the section line;

thence South 00°30'22" East 1,659.00 feet to the extension of the Northerly Boundary Line of Blackhawk Estates Plat "C", recorded as Entry No. 11719743 in Book 2013P at Page 178 in the Office of the Salt Lake County Recorder;

thence along the extension of and said Northerly Boundary Line of Blackhawk Estates Plat "C" the following nine (9) courses:

(1) South 56°51'10" West 333.22 feet;

(2) South 68°38'27" West 95.94 feet;

(3) South 56°30'13" West 98.90 feet;

(4) South 51°26'05" West 67.14 feet;

(5) South 41°54'31" West 111.54 feet;

(6) South 48°31'38" West 142.42 feet;

(7) South 54°24'10" West 87.46 feet;

(8) South 44°19'04" West 94.58 feet;

(9) South 72°52'33" West 99.94 feet to the Northerly Boundary Line of Blackhawk Estates Plat "B", recorded as Entry No. 11386427 in Book 2012P at Page 53 in the Office of the Salt Lake County Recorder;

thence along said Northerly Boundary Line of Blackhawk Estates Plat "B" the following six (6) courses:

(1) South 72°52'34" West 12.55 feet;

(2) South 82°11'10" West 94.89 feet;

(3) South 86°16'00" West 83.86 feet;

(4) South 66°09'21" West 95.83 feet;

(5) South 58°13'58" West 137.09 feet;

(6) South 78°13'01" West 40.13 feet along said Northerly Boundary Line of Blackhawk Estates Plat "B" to the Northwest Corner of said Blackhawk Estates Plat "B";

thence South 12°44'34" East 10.64 feet along said Westerly Boundary Line of Blackhawk Estates Plat "B" to the Northerly Boundary Line of Western Creek PUD Plat A, recorded as Entry No. 10946923 in Book 2010P at Page 76 in the Office of the Salt Lake County Recorder;

thence along said Northerly Boundary Line of said Western Creek PUD Plat A the following three (3) courses:

(1) South 78°07'21" West 16.66 feet;

(2) South 57°11'41" West 95.42 feet;

(3) South 73°50'10" West 172.86 feet along said Northerly Boundary Line of Western Creek PUD Plat A to the Northerly Boundary Line of Western Creek Plat B, recorded as Entry No. 11429199 in Book 2012P at Page 92 in the Office of the Salt Lake County Recorder;

thence along said Northerly Boundary Line of Western Creek Plat B the following two (2) courses:

(1) South 73°27'12" West 291.53 feet;

(2) South 80°15'09" West 106.84 feet to the 1/16 section line;

thence North 00°10'31" East 1,342.34 feet along the 1/16 section line to the Southeast Corner of the Northwest Quarter of the Northeast Quarter of said Section 34, monumented with a rebar and cap stamped "5251295";

thence North 89°31'41" West 2,661.50 feet along the 1/16 section line to the Southwest Corner of the Northeast Quarter of the Northwest Quarter of said Section 34, monumented with a Salt Lake County monument;

thence South 00°02'54" West 1,325.66 feet along the 1/16 section line to the quarter section line;

thence North 89°35'51" West 1,329.44 feet along the quarter section line to the East Quarter Corner of said Section 33, monumented with a Salt Lake County monument;

thence North 89°38'37" West 3,990.98 feet along the quarter section line to the Southwest Corner of the Southeast Quarter of the Northwest Quarter, monumented with a rebar and cap stamped "5251295";

thence South 00°20'42" East 1,323.10 feet along the 1/16 section line to the Southeast Corner of the Northwest Quarter of the Southwest Quarter of said Section 33, monumented with a rebar and cap stamped "5251295";

thence North 89°38'31" West 1,327.74 feet along the 1/16 section line to the Southeast Corner of the Northeast Quarter of the Southeast Quarter of Section 32, Township 3 South, Range 2 West, Salt Lake Base and Meridian;

thence North 89°29'26" West 2,641.53 feet along the 1/16 section line to the Southwest Corner of the Northwest Quarter of the Southeast Quarter of said Section 32;

thence North 00°09'01" East 149.81 feet along the 1/16 section line;

thence North 86°15'53" East 292.00 feet;

thence South $88^{\circ}11'07''$ East 207.61 feet;

thence North $00^{\circ}09'01''$ East 185.12 feet;

thence South $86^{\circ}15'53''$ West 500.00 feet to the 1/16 section line;

thence North $00^{\circ}09'01''$ East 405.38 feet along the 1/16 section line to the Northeast Right-of-Way Line of State Route-111 (SR-111), also known as Bacchus Highway;

thence Northwesterly and Northerly along said Northeasterly said right of way line of State Route-111 (SR-111) the following seven (7) courses:

(1) Northwesterly 246.50 feet along the arc of a 268.31 foot radius curve to the right (center bears North $05^{\circ}49'12''$ East and the chord bears North $57^{\circ}51'41''$ West 237.92 feet with a central angle of $52^{\circ}38'15''$);

(2) North $31^{\circ}32'34''$ West 437.23 feet;

(3) Northwesterly 288.95 feet along the arc of a 331.97 foot radius curve to the right (center bears North $58^{\circ}27'27''$ East and the chord bears North $06^{\circ}36'27''$ West 279.91 feet with a central angle of $49^{\circ}52'13''$);

(4) North $18^{\circ}19'39''$ East 201.90 feet;

(5) Northeasterly 470.16 feet along the arc of a 1,482.39 foot radius curve to the left (center bears North $71^{\circ}40'21''$ West and the chord bears North $09^{\circ}14'30''$ East 468.19 feet with a central angle of $18^{\circ}10'19''$);

(6) North $89^{\circ}50'40''$ West 17.00 feet;

(7) North $00^{\circ}09'20''$ East 792.30 feet;

thence North $71^{\circ}13'51''$ East 3,153.48 feet to the Northwest Corner of said Section 33, monumented with a Salt Lake County monument;

thence South $89^{\circ}35'41''$ East 5,303.20 feet along the section line to the point of beginning.

Contains 40,915,169 Square Feet or 939.283 Acres

EXHIBIT B

Herriman City Vicinity Map

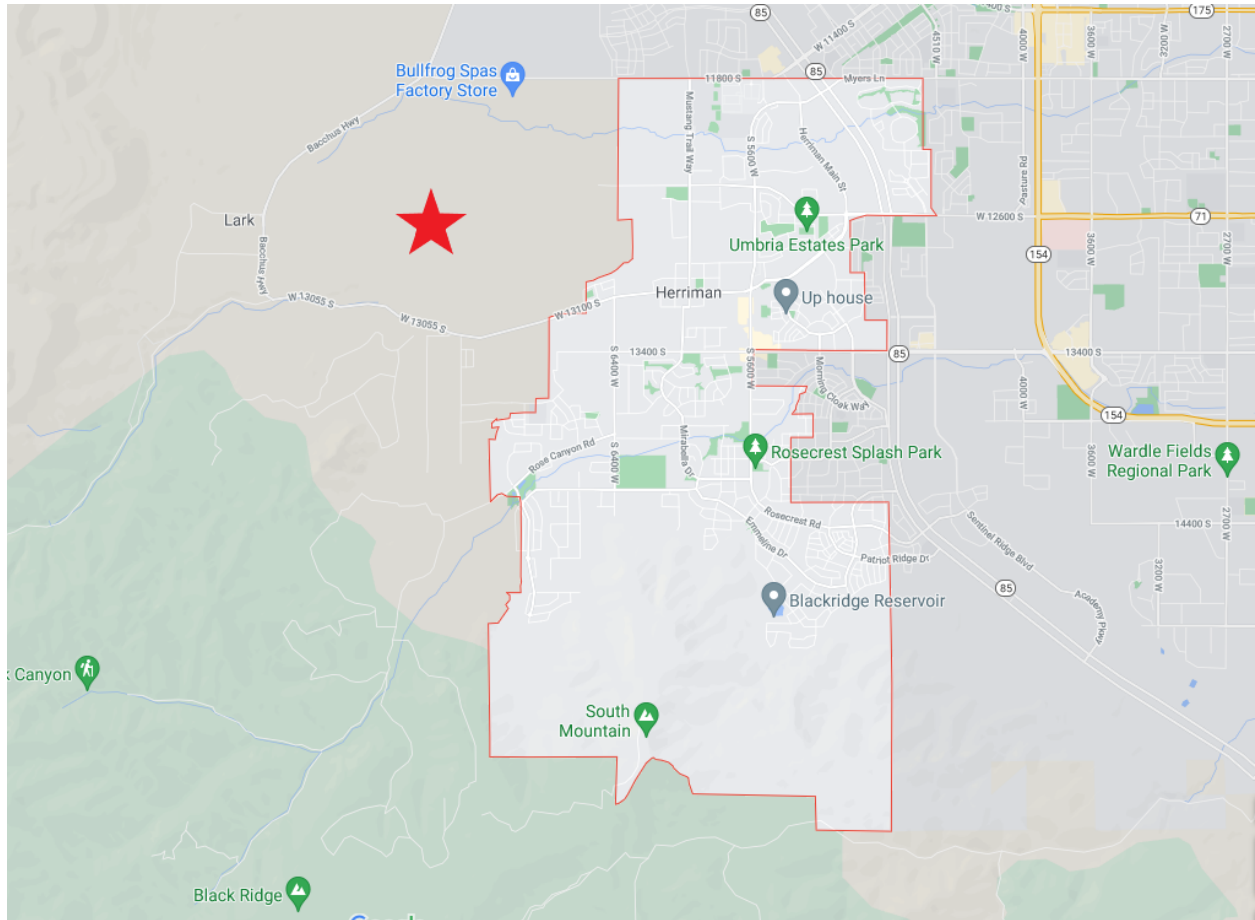


EXHIBIT C

Initial District and Annexation Area Boundaries Map

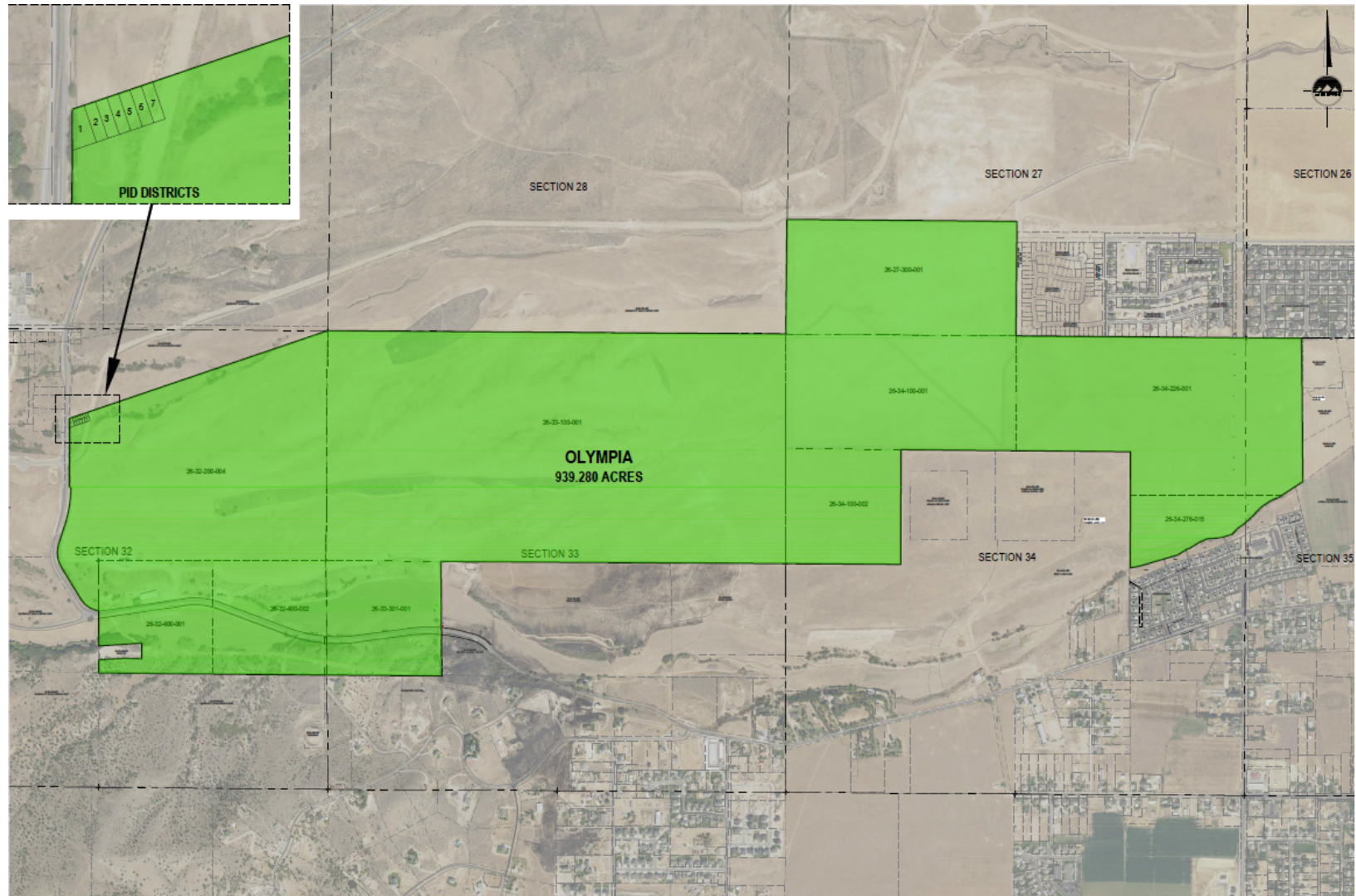


EXHIBIT D

Interlocal Agreement between the Districts and Herriman City

AMENDED AND RESTATED INTERLOCAL AGREEMENT BETWEEN

**~~THE~~ HERRIMAN CITY, UTAH
AND
OLYMPIA PUBLIC INFRASTRUCTURE DISTRICT NO. 1
AND
OLYMPIA PUBLIC INFRASTRUCTURE DISTRICT NO. 2
AND
OLYMPIA PUBLIC INFRASTRUCTURE DISTRICT NO. 3
AND
OLYMPIA PUBLIC INFRASTRUCTURE DISTRICT NO. 4
AND
OLYMPIA PUBLIC INFRASTRUCTURE DISTRICT NO. 5
AND
OLYMPIA PUBLIC INFRASTRUCTURE DISTRICT NO. 6
AND
OLYMPIA PUBLIC INFRASTRUCTURE DISTRICT NO. 7**

THIS AGREEMENT is made and entered into as of this ____ day of _____, ~~2021~~2023, by and between ~~the~~ HERRIMAN CITY, a political subdivision of the State of Utah ("City"), OLYMPIA PUBLIC INFRASTRUCTURE DISTRICT NO. 1, a political subdivision of the State of Utah ("District No. 1"), and OLYMPIA PUBLIC INFRASTRUCTURE DISTRICT NO. 2, a political subdivision of the State of Utah ("District No. 2" and together with District No. 1, the "Districts"). The City and the Districts are collectively referred to as the Parties.

RECITALS

WHEREAS, the Districts were organized to provide to exercise powers as are more specifically set forth in the Districts' Amended and Restated Governing Document approved by the City on _____, ~~2021~~2023 ("Governing Document"); and

WHEREAS, the Governing Document makes reference to the execution of an Interlocal Agreement between the City and the Districts; and

WHEREAS, the City and the Districts have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Interlocal Agreement ("Agreement").

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

COVENANTS AND AGREEMENTS

1. Operations and Maintenance. The purpose of the Districts is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. The

Districts shall dedicate the Public Improvements (as defined in the Governing Document) to the City or other appropriate public entity or owners association in a manner consistent with the rules and regulations of the City and applicable provisions of the City Code and any development agreement. The Districts shall be authorized, but not obligated, to own, operate and maintain Public Improvements not otherwise required to be dedicated to the City or other public entity.

~~2. Prohibition on Ad Valorem Property Taxes. The Districts are not permitted under any circumstance to issue General Obligation Debt, Limited Tax Debt, or any other debt that is payable from or secured by ad valorem property taxes of a District. In addition, the Districts are not permitted to impose any ad valorem property taxes for any purpose.~~

2. Reserved.

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

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

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

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

5. Inclusion Limitation. The Districts shall not include or withdrawal into or from their boundaries any property outside the District Area without the prior written consent of the City. By the Governing Document, the City has consented to the annexation or withdrawal of any area within the Annexation Area Boundaries into or from any of the Districts. The Districts shall not include within any of its boundaries any property inside the inclusion area boundaries without the prior written consent of the City except upon petition of the surface property owners of 100 percent of such property and/or 100 percent of registered voters within the area to be included, as applicable, as provided in Section 17D-4-201(3), Utah Code.

6. Overlap Limitation. ~~The boundaries of the Districts may overlap. The boundaries of the Districts shall not overlap unless the aggregate mill levy for payment of Debt of the~~

overlapping Districts will not at any time exceed the Maximum Debt Mill Levy of the Districts. Additionally, the Districts shall not consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the Districts unless the aggregate mill levy for payment of Debt of such proposed districts will not at any time exceed the Maximum Debt Mill Levy of the Districts.

7. Initial Debt. Upon the issuance of a certificate of creation of a District issued by the Office of the Lieutenant Governor of the State of Utah, such District shall be permitted to: (a) issue Debt and/or (b) impose a mill levy for the payment of Debt and collect Fees and Assessments for the purpose of repayment of Debt.

8. No Debt Issuance Limitation. So long as Debt is issued in accordance with the provisions of this Governing Document, there is no limit to the amount of Debt that may be issued by any District.

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

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

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

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

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

11. Disclosure to Purchasers. Within thirty (30) days of the Office of the Lieutenant Governor of the State of Utah issuing a certificate of creation, each Board shall record a notice with the recorder of Herriman City. Such notice shall (a) contain a description of the boundaries of the District_{5.2}; (b) state that a copy of this Governing Document is on file at the office of the City_{5.2}; (c) state that the District may finance and repay infrastructure and other improvements

through the levy of a property tax; ~~and~~ (d) state the Maximum Debt Mill Levy of the District; and (e) if applicable, state that the District is not authorized debt may convert to impose any property taxes, general obligation debt and outline the provisions relating to conversion. Such notice shall further be ~~filled~~filed with the City.

In addition, the Applicant and the Board shall ensure that the Applicant, commercial developers, and commercial lessors, as applicable, disclose the following information to End Users:

(1) All of the information in the first paragraph of Section XI of the Governing Document;

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

“Under the maximum property tax rate of the District, for every \$100,000 of taxable value, there would be an additional annual property tax of \$400 for the duration of the District’s Bonds.”

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

12. Governing Document Amendment Requirement. Actions of the Districts which violate the limitations set forth in V.A.1-9 or VIII.B-G of the Governing Document shall be deemed to be material modifications to the Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the Districts. Additionally, subject to the limitations and exceptions contained in the Governing Document, the Governing Document may be amended by passage of a resolutions of the City and the Districts approving such amendment.

13. Annual Report. Each District shall be responsible for submitting an annual report to the City Manager’s Office no later than 210 days after the close of the District’s fiscal year, commencing fiscal year ~~2022~~2023, containing the information set forth in Section IX of the Governing Document.

14. Regional Improvements. The Districts shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements.

15. Limitations on Fees and Assessments.

(a) All Fees and Assessments (other than C-PACE Assessments~~under Title 11, Chapter 42a, Utah Code~~) imposed by any District on a parcel shall be payable at or before the issuance of a building permit by the City with respect to such Parcel. So long as Fees are not passed on to End Users, there is no maximum amount of Fees that may be imposed by a District,

provided that all such fees shall be related to administrative expenses of the District, the provision of Public Improvements, and debt service on Bonds relating thereto.

(b) Any Assessments issued under the C-PACE Act may be repayable in accordance with the provisions of such statute.

(c) The City agrees to collect Fees and remit such Fees to the Districts on at least a monthly basis and further agrees that any building permit issued within the boundaries of a District will require proof of payment of Fees and sign off by such District. Additional procedures regarding the collection and remittance of Fees may be established by interlocal agreement between the City and such District(s).

~~(a) Title 11, Chapter 42a, Utah Code may be repayable in accordance with the provisions of such statute.~~

~~(b) The City agrees to collect Fees and remit such Fees to the Districts on at least a monthly basis and further agrees that any building permit issued within the boundaries of a District will require proof of payment of Fees and sign off by such District. Additional procedures regarding the collection and remittance of Fees may be established by interlocal agreement between the City and such District(s).~~

16. Maximum BondDebt Mill Levy Imposition Term. Each bond issued by the ~~Districts~~District shall mature within ~~thirty-one~~Thirty-One (31) years from the date of issuance of such bond; ~~in. In~~ addition, no mill levy may be imposed for the repayment of a series of bonds of a District repayable after a period exceeding Forty (40) years from Fees shall be deemed discharged at the first date of imposition of the mill levy for such time as there is no longer any Fees outstanding relating to such bonds ~~bond~~ (the "Maximum ~~BondDebt~~ Mill Levy Imposition Term").

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

To the Districts: Olympia Public Infrastructure District Nos. 1-7

Attn:
Phone:

To the City: Herriman City
5355 West Herriman Main Street
Herriman, UT 84096
Attn: Planning and Zoning
Phone: (801) 446-5323

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

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

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

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

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

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

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

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

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

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

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

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

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

[SIGNATURE PAGE TO INTERLOCAL AGREEMENT]

OLYMPIA PUBLIC INFRASTRUCTURE
DISTRICT NO. 1

By: _____
Chair

Attest:

Secretary

APPROVED AS TO FORM: _____

OLYMPIA PUBLIC INFRASTRUCTURE
DISTRICT NO. 2

By: _____
Chair

Attest:

Secretary

APPROVED AS TO FORM: _____

OLYMPIA PUBLIC INFRASTRUCTURE
DISTRICT NO. 3

By: _____
Chair

Attest:

Secretary

APPROVED AS TO FORM: _____

OLYMPIA PUBLIC INFRASTRUCTURE
DISTRICT NO. 4

By: _____
Chair

Attest:

Secretary

APPROVED AS TO FORM: _____

OLYMPIA PUBLIC INFRASTRUCTURE
DISTRICT NO. 5

By: _____
Chair

Attest:

Secretary
APPROVED AS TO FORM: _____

OLYMPIA PUBLIC INFRASTRUCTURE
DISTRICT NO. 6

By: _____
Chair

Attest:

Secretary
APPROVED AS TO FORM: _____

OLYMPIA PUBLIC INFRASTRUCTURE
DISTRICT NO. 7

By: _____
Chair

Attest:

Secretary

APPROVED AS TO FORM: _____

Herriman, Utah

By: _____
_____, Mayor

Attest:

By: _____
Its: _____

APPROVED AS TO FORM: _____